

Report for: Cabinet 5 December 2023
Item number:

Title: Housing Asset Management Strategy 2023 – 2028

Report authorised by: David Joyce, Director of Placemaking and Housing

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Ward(s) affected: All

**Report for Key/
Non-Key Decision:** Key

1. Describe the issue under consideration.

- 1.1 The report presents an updated Housing Asset Management Strategy for the Council's housing stock, covering the period 2023 to 2028 (attached at Appendix 1).

2. Cabinet Member Introduction

- 2.1 This strategy is key to delivering some of the Council's most important and ambitious commitments. A strong strategy for managing the Council's assets will guide us in making transparent, financially sound, and resident focused decisions about future investments.
- 2.2 The new Housing Asset Management Strategy is driven by the Council's commitment to being a good landlord and reflects the commitments the Council set out in our Housing Improvement Plan. This includes ensuring we meet all legislative and regulatory requirements that guarantee safe, sustainable, and secure homes. We will take a zero-tolerance policy to damp and mould, as part of our wider commitment to bring all Council homes to the Decent Homes Standard by 2028. The strategy also supports Haringey's ambition to become a Net Zero carbon borough by 2041 through improving the energy efficiency of resident's homes.
- 2.3 The agreed outcomes of the strategy are both ambitious and realistic given the challenging economic context facing local government, including borrowing and construction costs. Delivering these outcomes will form a key business priority for Housing services. These will be challenged, revised, and updated as part of the business planning cycle and in response to any new additional regulatory requirements.

2.4 The Housing Asset Management Strategy is for the use of staff, residents, Council officers and Members, and any other individual or organisation interested in the Asset Management service provided. I want to thank the residents who took part in the consultation that shaped this strategy. Special thanks to the resident-led Task and Finish Group that supported the review of the existing strategy and helped determine the priorities and key objectives of the new strategy. This varied Group will also be involved in the annual review of the strategy to ensure it remains aligned to our shared vision. Undoubtedly the hard work of everyone who participated was essential to ensuring the priorities of local people are reflected in this document.

3. Recommendations

3.1 That Cabinet:

Approve the updated Housing Asset Management Strategy 2023 to 2028 (attached at Appendix 1).

4. Reasons for decision

4.1 The existing Housing Asset Management Strategy 2020 to 2025, requires updating to ensure it reflects the changed context in which Haringey will manage, maintain and invest in the Council's housing stock over the next five years.

4.2 This includes significant changes in:

- i. the building safety regulatory framework and the additional duties for councils set out in the Building Safety Act (2022).
- ii. the wider regulatory requirements introduced by the Social Housing Regulation Act (2023).
- iii. national and local targets relating to energy efficiency and carbon reduction.

4.3 In addition, following the Council's referral to the Social Housing Regulator earlier in 2023, and the adoption of a new Housing Improvement Plan, the Housing Asset Management Strategy needs updating to ensure it reflects the relevant commitments set out in the Plan, specifically in relation to regulatory and legislative compliance, which includes all council housing stock meeting the Decent Homes Standard by 2028.

4.4 The strategy also needs updating so that it reflects, and is in alignment with, the current HRA Business Plan and proposals in the draft Medium Term Financial Strategy 2024/25 to 2027/28 to increase overall investment in the housing stock over the next five years.

5. Alternative options considered

- 5.1 The option of not updating the strategy was considered but rejected. This is because the current strategy is no longer able to set the strategic framework for making informed decisions regarding investment in the Council's housing stock. The updated strategy will provide the necessary guidance for implementing plans to meet the Decent Homes Standard, address issues of damp and mould, improve energy efficiency of the stock, and ensure the health and safety of residents living in council owned homes.

6. Background information

- 6.1 The Housing Asset Management Strategy (2021) covers the period 2020/21 to 2024/25 and it is now timely to refresh. The new document follows a review of the strategy against the priorities and actions set out for the service in the Housing Improvement Plan adopted by the Council in April 2023. The Plan reflects the ongoing learning from, and commitments given, following the Council's decision to proactively self-refer to the Social Housing Regulator, which the updated Housing Asset Management Strategy will align with.
- 6.2 It also reflects the changed context in which we will be delivering the strategy. This includes significant changes in the building safety regulatory framework and the additional duties for councils set out in the Building Safety Act 2022, as well as the new regulatory duties introduced by the Social Housing Regulation Act 2023. There are also challenging national and local targets relating to energy efficiency and carbon reduction as set out in the Council's Housing Energy Action Plan 2023.
- 6.3 The key drivers for the new Strategy are therefore:
- **Delivering Decent Homes** - the outcome of our self-referral to the Social Housing Regulator and its spotlight on our decency position, putting the Council in breach of the Homes Standard, requires a refocus on bringing all our stock up to the Decent Homes Standard, as a minimum, and therefore meeting the target to achieve this by 2028, is one of the key objectives for the new strategy.
 - **Building Safety and Compliance** – the new regulatory framework with the additional duties placed on council's, means that the Housing Asset Management Strategy and associated investment plans need to capture all our landlord obligations in respect of keeping our residents safe in their homes.
 - **Energy Efficiency and Carbon Reduction** – In support of Haringey's ambition to be a net zero borough by 2041, the Council adopted a detailed Housing Energy Action Plan (2023) which commits us to bringing all our

stock to an average EPC rating from Band C to Band B by 2035. Over the next five years, therefore, we will progress with delivering those energy efficiency and carbon reduction measures that will enable us to achieve that target.

- 6.4 It should be noted that, although our main focus will be on the above, much of these works will also contribute to improving the attractiveness and overall environment of many of our estates.
- 6.5 In light of the above we have updated the document with the main changes summarised as follows:
- Re-ordering and expanding the criteria for prioritisation of works to reflect statutory and regulatory requirements together with council priorities and our overall aim of keeping residents safe in their homes.
 - amended the scope of the Haringey Decent Homes Standard with a refocus on meeting the criteria for achieving the standard, as set out in government guidance (2006).
 - added a new section on Damp and Mould.
 - improved commitment to resident communication and engagement.
- 6.6 The new Housing Asset Management Strategy will therefore enable the Council to deliver investment programmes with the target to bring all Council homes to the Decent Homes Standard by 2028; tackle issues of damp and mould, improve the energy efficiency of the stock, and ensure full compliance with current legislative and regulatory requirements.
- 6.7 Since the last strategy, and particularly over the last year, good progress has been made in reducing the level of non-decency. This is a result of delivering boroughwide internal/external modernisation programmes and is in addition to significant major estate investment projects at Noel Park, Turner Avenue and Broadwater Farm.
- 6.8 The proposal is to move to long-term partnering contracts for the delivery of the major works capital programme as approved by January 2022 Cabinet. This should enable us to accelerate delivery of works and minimise risks from delays. Preparatory work is underway with the intention to have the partnering arrangements in place by Quarter 3 of 2024/25.
- 6.9 Critically, the procurement activities will be focused on enhanced contract administration and management, improvement of performance, value for money and delivering social value. This includes delivering employment and training opportunities for residents and work for local companies. We will also take the opportunity for enhanced resident engagement in the procurement and delivery of the capital programme.
- 6.10 An accompanying 10-year investment programme is currently being developed which will set out plans for incorporating energy efficiency, compliance and

building safety measures into major works delivery, as far as is practicable, to ensure value for money and minimise disruption for residents.

- 6.11 Investment decisions and prioritisation of works will be considered within the parameters of the resources set out in the HRA Business Plan/Medium Term Financial Strategy and the sustainability of that investment in the long-term. We will use the Stock Viability Model to assess viability and re-investment priorities. The model will be populated with the results of the new Stock Condition Survey. This will ensure there is no high -risk investment without due consideration.
- 6.12 We will also assess the condition, performance and opportunities associated with non – residential HRA assets e.g., disused garages.
- 6.13 The ongoing results from the boroughwide Stock Condition Survey, which started in May 2022 and is due to complete in May 2024, have provided us with a sound understanding of our council stock; helping us to identify investment need and prioritise works accordingly. It has also proved extremely valuable as a source for identifying Housing Health and Safety Rating System (HHSRS)¹ Category 1 and 2 failures, which enables the responsive repairs team to prioritise works and respond quickly, particularly in severe cases of damp and mould. Where clusters of cases are identified, this information feeds into the investment planning process, so the underlying issues can be addressed.
- 6.14 A resident Task and Finish Group was set up to support the review of the existing strategy and input to determining the investment priorities and key objectives for the new strategy.
- 6.15 The strategy will be subject to annual review to make sure it remains aligned to the HRA Business Plan and related Council strategies. The resident Task and Finish Group will be involved in the review.
- 6.16 The key risks to the strategy being delivered are: (i) affordability due to the significant pressures on the Housing Revenue Account; and (ii) our capacity and ability to deliver in a timely manner given the competing priorities for the available resources. In addition, statutory obligations, building safety regulations and similar external issues are subject to change and could have a significant impact on the strategy and costs.
- 6.17 In order to support the implementation of the strategy, and specifically to improve performance in the overall delivery of the capital programme, measures will be put in place to support delivery of the actions set out for the service in the Housing Improvement Plan. These measures include, the implementation of a new Asset Management IT system, to assist with Decent Homes and compliance reporting, mobilisation for new contract partnering delivery arrangements, and a new resident engagement and communication strategy.

¹ [Housing health and safety rating system \(HHSRS\) guidance - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/housing-health-and-safety-rating-system-hhsrs)

7. Contribution to the Corporate Delivery Plan 2022-2024 High level Strategic outcomes?

- 7.1 The Housing Asset Management Strategy supports high level strategic priority outcomes 1 'Homes for the Future – Everyone has a home that is safe, sustainable, stable and affordable'.

8. Carbon and Climate Change

- 8.1 The recommendation to adopt the proposed new Housing Asset Management Strategy supports the Council's commitments in its 2021 Climate Action Plan to the delivery of homes that are healthy, comfortable, and affordable places to heat and power.
- 8.2 The Climate Action Plan set out how the borough will become net zero carbon by 2041. The proposed new Housing Asset Management Strategy supports that objective with commitments to retrofitting Council homes, making homes more energy efficient, while also addressing fuel poverty. This includes working towards meeting the Housing Energy Action Plan (2023) target for improving the energy efficiency of council homes from an average Energy Performance Certificate Rating (EPC) of Band C to Band B by 2035.

9. Statutory Officers comments (Director of Finance (procurement), Head of Legal and Governance, Equalities)

Finance

- 9.1 The Housing Asset Management Strategy is being updated and adopted at a time of uncertainty and change, primarily the impact of inflation, high cost of living and rising interest rate on Housing capital programmes.
- 9.2 There are no specific financial implications arising from this report on its own. Any expenditure on the review and update of the Housing Asset Management Strategy will be contained within existing housing budgets.
- 9.3 The strategy is aligned with the Housing Revenue Accounts (HRA) approved budget and MTFs. The current update of the HRA 30-year financial plan recognises in it the key drivers of this strategy.
- 9.4 Capital Investment decisions will be considered within the parameters of the resources set out in the HRA Financial Plan/Medium Term Financial Strategy.
- 9.5 Any expenditure required outside of existing budgets/plan, particularly regarding longer term investment will go through the appropriate assessment channels and would be subject to the Cabinet approval.

- 9.6 The proposed Housing Asset Management Strategy will constantly be reviewed as part of the annual budget refresh and where necessary updated to reflect the realities of internal and external environment.

Procurement

- 9.7 Strategic Procurement note the contents of this report and confirm there are no procurement related matters preventing Cabinet approving the Recommendations stated in paragraph 3 above.
- 9.8 Strategic Procurement will work with the service to ensure value for money is achieved through the procurement activity, including delivery of social value aligned with the Procurement Strategy and the Council's priorities.

Head of Legal & Governance

- 9.9 The Head of Legal and Governance has been consulted in the preparation of this report and comments as follows.
- 9.10 There is no legal requirement for the Council to have a Housing Asset Management Strategy, but it is considered good practice and is recommended by CIPFA.
- 9.11 There are a number of legal requirements that impact on the management, maintenance and improvement of the Council's housing assets and the Council must be fully compliant with all statutory requirements, including the Landlord and Tenant Act 1985, the Homes (Fitness for Human Habitation) Act 2018, Gas Safety (Installation and Use) Regulations 1998, the Decent Homes Standard, the Building Safety Act 2022, the Fire Safety Act 2021, the Regulatory Reform (Fire Safety) Order 2005, the Fire Safety (England) Regulations 2022 and the Social Housing (Regulation) Act 2023.
- 9.12 The Social Housing (Regulation) Act 2023 has introduced new measures to improve the standards, safety and operation of social housing. It requires the Secretary of State to set out new requirements to address hazards such as damp and mould within a fixed time period and gives more transparency to residents under the Access to Information Scheme. It also strengthens the Social Housing Regulator's powers to enforce the consumer regime, including the ability to authorise persons to inspect premises and take emergency remedial action, require a council to prepare and implement a performance improvement plan, issue enforcement notices and to impose unlimited fines. The Act received Royal Assent on 20th July 2023, and it is anticipated that most aspects of the Act will have taken effect by 1 April 2024.
- 9.13 The updated Housing Asset Management Strategy sets out a strategic framework within which Haringey will manage, maintain and invest in the Council's housing assets in compliance with its statutory obligations and there are no legal reasons why the recommendation should not be approved.

Equality

9.14 The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
- Advance equality of opportunity between people who share those protected characteristics and people who do not
- Foster good relations between people who share those characteristics and people who do not.

9.15 The three parts of the duty apply to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status apply to the first part of the duty.

9.16 This decision relates to the Council's Housing Asset Management Strategy for its housing stock and how we will implement the strategy across the Council's housing portfolio.

9.17 The Housing Asset Management Strategy aims to improve the quality of housing for Council tenants and leaseholder in Haringey. Residents from Black, Asian and minority ethnic backgrounds, older people, disabled people, women and low-income households are over-represented among current Council tenants. These groups are therefore likely to benefit from the delivery of the Housing Asset Management Strategy. The current cost of living crisis is causing increased levels of fuel poverty and disproportionately impacts those from a low socio-economic background. The measures set out in the Housing Asset Management Strategy to improve energy efficiency and effectively tackle damp and mould should have a particularly positive effect on those from a low socio-economic background and represent a means of preventing and mitigating future inequalities.

10. Use of Appendices

Appendix: Housing Asset Management Strategy 2023 to 2028

11. Background papers

- [Draft Housing Strategy 2022-27 , PDF 870 KB](#)
- [Housing Services Improvement Plan and Compliance Assurance Statement PDF 531 KB](#)
- [Housing Energy Action Plan 2023 HEAP](#)
- [Damp and Mould policy 2023](#)