



CABINET REPORT

Report Title	HOUSING ASSET MANAGEMENT STRATEGY
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AGENDA STATUS: PUBLIC

Cabinet Meeting Date:	15 July 2009
Key Decision:	YES
Listed on Forward Plan:	YES
Within Policy:	YES
Policy Document:	YES
Directorate:	HOUSING
Accountable Cabinet Member:	Councillor Sally Beardsworth
Ward(s)	All

1. Purpose

- 1.1 To submit a draft housing asset management strategy for approval as the basis of consultation with tenants and partners.

2. Recommendations

- 2.1 That Cabinet approves the attached draft Housing Asset Management Strategy for consultation with tenants and receives a report back on that consultation in due course.
- 2.2 That Cabinet note that a resource plan will be developed for the delivery of the final strategy.
- 2.3 That authority be given to the Director of Housing, in consultation with the Portfolio Holder, to set up a programme of small scale procurement of contract packages varying in value from £50,000 to £1.6 million as set out at appendix I of the draft Housing Asset Management Strategy, to commence as soon as is practically achievable.

3. Issues and Choices

3.1 Report Background

- 3.1.1 At Appendix A is a draft housing asset management strategy. This follows the format of HRA business plans which local housing authorities were required to submit to Government Offices until 2005, but with more detail to provide the basis of consultation with tenants. The draft strategy is a more detailed examination of housing investment options, based on the desktop review presented as part of the Future Housing Investment options set out in a separate report on this agenda.
- 3.1.2 The plan is based on an updated stock condition monitor provided by NBA, who have been commissioned since 2003 to provide robust stock information to the Council.
- 3.1.3 A key objective of a housing asset management strategy is to move away from annual decisions about resource allocation. Annual allocations inevitably lead to capital programme underspends, which have been a feature in Northampton for at least the past five years, and are not efficient as a basis of partnership delivery or in terms of value for money. Following consultation, it will be proposed to bring forward a five-year resource plan to underpin the strategy with a five-year investment and review programme.

3.2 Issues

- 3.2.1 In addition to a major programme of capital spend; there is a need to review future expenditure on a range of problematic stock. Issues range from the high cost of repair for some properties, the unpopularity of certain property types such as bedsit rooms, layouts and block configurations which make some areas unattractive as places to live.
- 3.2.2 Equally important is the Council's ambitions for neighbourhoods and the potential to use housing investment in support of place shaping to promote and maintain vibrant communities. Three main areas present regeneration challenges and opportunities, namely the central area including St James and Castle wards, the Northwest area surrounding the potential new development at Dallington Grange and east Northampton, with the legacy of the former development corporation. All three areas have a significant density of council owned housing and investment plans will need to be worked up in partnership with the tenants, community, partners and other stakeholders. The Housing Asset Management Strategy proposes a programme of reviews commencing with the central area. The repairs service will not be affected whilst these plans are being prepared.
- 3.2.3 Apart from area regeneration initiatives, other housing stock which will need to be reviewed includes sheltered housing, of which there is too much of lower quality than appears to be needed, non-traditional forms of construction and others where, before spending on decent homes works, the medium to long term future of the homes or area will need to be confirmed. The strategy sets out a programme of such reviews and the funding requirements to undertake such reviews at section 10.3.

- 3.2.4 The key to any asset management strategy is resource availability compared with the investment need. A significant shortfall has already been identified in a separate report on this agenda. It is likely that some of the reviews will conclude therefore that the investment needs are beyond the Council's means and some ways of bringing in additional resources will need to be considered. These are explored in the Housing Investment Options paper also on this agenda.

3.3 Choices (Options)

- 3.3.1 The range of choices and options are included in the draft strategy and will be developed through consultation.

4. Implications (including financial implications)

4.1 Policy

The housing asset management strategy, once adopted by the Council following consultation, will set the pattern of housing expenditure and reviews for the next five years.

4.2 Resources and Risk

A separate report on this agenda (Future Housing Investment Options) illustrates the funding shortfall over the next five years. A programme of reviews will itself require funding, but this is essential work to underpin the asset management strategy. Unless detailed reviews are undertaken, of stock condition, resident's views and the impact of regeneration initiatives, there is a substantial risk that investment could be wasted on property with limited appeal and an equally limited future.

4.3 Legal

None at this stage

4.4 Equality

Equality Impact assessments are being carried out as part of the phase 2 decent homes programme and will be included in any local area review.

4.5 Consultees (Internal and External)

This is a consultation draft, which will be the subject of a detailed communications and consultation programme with residents..

4.6 How the Proposals deliver Priority Outcomes

This is covered in the draft strategy.

4.7 Other Implications

None

5. Background Papers

- 5.1 NBA stock condition monitor

- 5.2 HQN report (included elsewhere on this agenda)

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