

Harrow Council - Asset Management Strategy

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Introduction

A CHALLENGING OPERATING ENVIRONMENT

In this challenging operating environment, the need for genuinely affordable, safe, sustainable, and well - maintained homes remains as important as ever. This is a key moment for our service to reflect and ensure we are adequately prepared to meet the challenges ahead.

Harrow’s previous Asset Management Strategy (AMS), drafted 2019, reacted directly to the 2016-20 Social Rent cuts with a shift to “Just-in- Time” investment planning. At the time, the impacts of the

Grenfell Tower tragedy were being analysed carefully across the sector and, while the subsequent regulatory response had yet to emerge, there was an

increased focus on property standards, governance and residents' voice. The removal of the Housing Revenue Account (HRA) borrowing cap in 2018 also allowed a greater amount of flexibility, which included more focus on regeneration and new development.

While these challenges and drivers still exist and remain as important as ever, local authorities continue to operate in a changing and challenging operating environment and several emerging themes need to be addressed in an updated strategic approach.

The Council has made good progress with its new investment planning modelling and new planned works programmes, which aim to drive down reactive spend and make wiser, more targeted, investment decisions. This work can be built upon by further embedding the concept of "Active Asset Management", which is centred around understanding the 'real time' value of stock. This would allow more targeted investment, planning and growth, and ensuring value for money.

New health and safety regulatory requirements established by, for example, the new Housing White Paper, Fire Safety Bill, proposed Building Regulations changes and Building Safety Act will result in additional administration and costs to meet new governance requirements and standards. The concept of safe and sound homes has therefore never been more important; the Council needs to ensure it has the right standards in place to provide quality buildings that meets the needs and expectations of residents.

The expectation for local authorities to ensure their housing stock becomes net zero carbon has never been higher. The Climate Change Act 2008 (2050 Target Amendment Order 2019) was adopted in June 2019 and makes a statutory obligation of the net-zero emissions target recommended by the Committee on Climate Change. Councils can play an important role by ensuring emerging technologies, building techniques and quality design are accessed, where practical, to help minimise the environmental impact of housing, reduce the risk of fuel poverty and improve the health and well-being residents.

There has been much publicised material and resourcing shortages coupled with significant price increases in the construction sector. Shortages and higher prices have been driven by external factors such as the Covid pandemic, international conflict, a changing European trade landscape and related supply chain and logistics problems. While it is still not clear what the long-term impacts will be, there is likely to be further price and supply volatilities at least in the short-to medium-term. The Council must have the appropriate culture, governance structures, reporting arrangements, skills and client oversight to manage and maintain its homes efficiently and effectively and deliver the key objectives set out in this updated AMS.

The Council's Vision is "Putting Residents First", and the Council is committed to "great customer experiences and community outcomes".[1] It is therefore vital that engagement with residents and communities and the overall customer experience is considered throughout the delivery of the AMS and not dealt with as a separate, discreet matter.

PURPOSE - Why do we need an AMS?

arrow's AMS provides a framework for the H Council to manage its housing stock efficiently and effectively over the long term and supports the delivery of the Council's key strategic objectives.

The ambition is for everyone in Harrow to have access to good quality, secure, well maintained and genuinely affordable homes that meet the needs and expectations of existing and future residents.

This ambition clearly supports the Council's Vision - Putting Residents First and aligns with the Harrow Borough Plan 2030 key goals:

- Improve the environment and address climate change by becoming a carbon neutral borough by 2030
- Build homes and infrastructure by building over 1,500 homes, including council homes and affordable homes.
- Tackle poverty and inequality by removing the variation in life expectancy in the borough.
- Celebrate communities and cohesion by continuously celebrating the diverse heritage within the borough and challenging all forms of discrimination.
- Address health and social care inequality by reducing health inequalities across communities in the borough.
- Sustain quality education and training by making Harrow one of the best boroughs for children and young people to live and grow up in.
- Maintain low crime and improve community safety by keeping Harrow one of the safest boroughs in London
- Develop a thriving economy by supporting our high streets to flourish and be vibrant.

KEY OBJECTIVES - What does success look like?

Build homes and infrastructure by building over 1,500 homes, including council homes and affordable homes.

Provide safe and sound homes which meet the needs of current and future residents. Help minimise the environmental impact of housing. Manage homes and assets efficiently and effectively. Engage with residents and communities, maximising the customer experience.

In response to the current and emerging challenges the service faces, this AMS aims to deliver five key objectives:

- Target investment and growth to ensure value for money through an "Active Asset Management" approach.
- Provide safe and sound homes which meet the needs of current and future residents.
- Help minimise the environmental impact of housing.
- Manage homes and assets efficiently and effectively.
- Engage with residents and communities, maximising the customer experience.

This updated AMS is structured around each of these five and includes specific and measurable actions which are collated into an overall:

- Own - 4,800
- Manage - 1,200
- Garages - 800
- Community - 11
- service delivery plan. This document provides a high level view, but more detail is available within our "operational strategy" if required.

LOCAL CONTEXT

- 4,800 homes
- 1,200 leasehold properties
- 800 garages
- 11 community centres
- 17 sheltered schemes
- Most stock built between 1950 and 1970
- 1,100 new council homes in pipeline

GOAL:

We will fully embed the “Active Asset Management” approach to guide how the service operates and to support balanced, evidence-based investment decisions that improve value for money and customer satisfaction.

Our previous AMS reacted directly to the 2016-20 social rent cuts with a shift to “Just-in- Time” investment planning. This aimed to maximise component lifecycles, and the value obtained from our stock investment Active Asset Management – Methodology.

TARGETING INVESTMENT AND GROWTH

THEME 1

programmes. The Council’s new investment planning modelling (SHAPE) and new planned works programmes aim to drive down reactive spend and make wiser, more targeted, investment decisions. Key financial and non-financial information is used to evaluate housing stock performance at a strategic level.

A more granular analysis, incorporating other criteria, is combined to derive a RAG rated stock / scheme list. RAG ratings are used to determine the key investment decisions for stock. Active Asset Management can be defined as taking A clear measures to understand the inherent investment value of our stock, rather than relying on one metric such as survey outputs. This investment value can and should mean different things to different landlords – because it is about what is important to us, our residents and our communities. Long-term financial performance is vital, but so are social objectives and feedback from residents and key stakeholders. This is an opportunity to take a deeper look and understand our stock better.

The approach will become central to how the service functions and makes investment decisions and can be seen as moving from a process driven to a more strategic approach.

Rents, Management & BP Stock Condition survey Repairs & Maintenance Social value assessment
Managing Homes & Assets Efficiently

- Retain & invest Disposal Redevelop
- Change use / tenure
- Step 1
- Step 2
- Step 3
- High Level Investment Matrix
- Targeted Investment & Growth
- Safe & Sound Homes
- Residents & Communities

- Decarbonisation
- Inputs
- Decision
- Operational Investment Matrix
- Planned Investment
- Option Appraisals

Active Asset Management – Methodology

Here are several strategic factors to consider within the above process, which will be done within a cross- departmental group to ensure a truly holistic approach.

The output will be a clearly structured list of stock with an “investment value” calculated for each (for instance as a percentage). The cross-departmental working group will also consider what their themes and priorities from incorporated into process.

This AMS can be the opportunity to collate resident and stakeholder feedback and clearly embed this within the investment decision- making process.

[do you want to add ‘SECTION 2’?]

Section 1

THEME 1 - TARGETING INVESTMENT AND GROWTH

Option Appraisals the evaluation process outlined previously will help us to clearly identify poorly performing stock that is potentially a drain of Council resources. Where such stock has been identified we will consider our potential investment options carefully. The aim will be to improve the performance of the asset including consideration of redevelopment, change of use or tenure, investment or disposal. This will be captured within an “Options Appraisal” process and will be a fundamental part of how we operate as a service. The basic Options Appraisal steps are set out here.

- Quantitative Assessment
- Clarify scope and available options
- Develop options - financially
- Develop options strategically / socially, etc.
- Compare options, make recommendation
- Deliver preferred option
- Review
- Pre-assessment of sites identified as poorly performing based on an initial assessment of validated stock data.
- Retrofit
- Understanding the costs and measures involved in order to bring properties / schemes up to required statutory standards, and move upwards through the SHAPE model banding (i.e. Red to Amber)
- Rethink
- For cases where it is not viable to retrofit or repair, a fundamental rethink of asset usage will be considered. This process may include regeneration, remodelling, change of tenure or use, and disposal.

This process will need clear governance arrangements to ensure opportunities are dealt with and moved forward in a timely manner.

Regeneration And Future Growth

The Council has an ambitious development and regeneration programme. As part of the Building Council Homes for Londoners Programme it will develop or acquire nearly 250 council homes, which are let at social or affordable rent levels, and has 1,100 new development pipelines. A major regeneration programme has commenced at the Grange Farm Estate, and the Council has agreed to build up to 48 roof top developments using Modern Methods of Construction (MMC).

A range of options appraisals and existing stock studies have already been undertaken by the Regeneration Team, including sheltered accommodation and upward extensions on medium rise blocks. This work needs to be with the emerging Appraisal approach aligned Option as set out above to ensure consistency in approach and decision making.

The 'Active Asset Management' approach will clearly support the Council's growth strategy. A potential outcome of Option Appraisals for poor performing HRA assets may be redevelopment. This AMS therefore provides a vital link between decision making relating to existing stock and new development targets.

ACTION PLAN

ACTION 1:

Establish an 'Active Asset Management' working group to include at minimum Regeneration, Repairs, Resident Service teams. Agree the steps required to ensure the SHAPE model and Operational Investment Matrix support robust and 'real time' investment decision making.

ACTION 2:

Put in place governance arrangements and a 'route map' for Option Appraisal approvals, including supporting guidance and templates to ensure consistent reporting and decision-making.

ACTION 3:

Use the 'Active Asset Management' process to continue to provide potential redevelopment opportunities, contributing to the Council's new development strategy.

THEME 2 - SAFE AND SOUND HOMES

GOAL:

We will provide residents with safe and sound homes, ensuring we utilise new technological advances where appropriated meeting new standards and regulatory requirements.

Introduction

Building Safety Act, we need to ensure that our homes and buildings are places

where people want to live, and where they feel safe and secure. It is about making sure our standards are correct, that we are using technology and sector learning to constantly challenge our approaches and to improve quality.

Safety is of utmost importance. We need to embrace the significant changes that are occurring in relation to building safety, governance, regulation, and data storage to ensure we are prepared to meet the new requirements. And importantly we need to continue to provide assurance in relation to compliance and key health and safety requirements.

We will seek to adopt a comprehensive set of new best practice and regulatory standards as these come forward over the course of the AMS life cycle - including new consumer standards, new Decent Homes Standards, and new building and fire safety regulations. We want to be leading from the front in a changing environment. Responsible for ensuring that any building safety risks in new and existing high-rise residential buildings (18m plus or seven storeys or more) are effectively managed and resolved. The Building Safety Act is designed to give the residents more power to hold landlords and developers to account and toughen sanctions against those who threaten their safety. A Building Safety Regulator will oversee the new regime.

Health and Safety and Compliance

Fire Safety Act Regulatory obligation to ensure health and safety compliance across all areas requiring maintenance. This includes, but is not limited to, fire safety, legionella management, asbestos the Council has a management, gas servicing Statutory and electrical testing. We'll continue to transparently report on all areas of asset compliance to ensure strong governance on all asset compliance areas.

The new requirements will involve implementing the gateway points at design, construction, and completion. Higher standards and greater assurance are required for new buildings, including producing safety cases to evidence compliance with all relevant safety legislation. Alongside the proposals for a new Building Safety Regulator, there will be new roles with legal responsibilities such as the 'Duty Holder' and 'Accountable Person'.

The Fire Safety Act 2021 requires 'Responsible Persons' of multi-occupied residential buildings with two or more sets of domestic premises to update Fire Risk Assessment to include an assessment of the building's structure, external walls, and flat entrance doors. The Council will need to:

- Determine what premises for which they are the 'Responsible Person' are within scope.
- Review current Fire Risk Assessments for those premises within scope and ensure they reflect the required changes.
- Ensure that the persons undertaking Fire Risk Assessments are fully aware of the guidance available and are competent to undertake such reviews.
- Ensure that any recommendations
- Highlighted in the assessments are action taken in a timely manner.

Damp and Thermal Comfort

Digital Inclusion and Innovation

The Council's 2021 Digital Infrastructure Strategy Tests out a clear strategic direction to increase digital connectivity in the borough, including to the homes we own and manage. Our work to reduce digital exclusion within the borough has led to the agreement with Community.

We are committed to helping ensure our residents live affordably, stay warm or cool in their homes, and manage a healthy indoor environment. We will align our approach to research and procure a set of resources for residents that cover the following key topics:

- Energy efficiency
- Water efficiency
- Tariff switching
- Moisture management
- Maintaining a healthy indoor environment
- mould and mildew typically grow in damp conditions.

such as those caused by damp walls or floors, condensation, or inadequate ventilation. Older or unheated premises may be most at risk, particularly if there is penetrating water ingress through inadequate maintenance. Mould usually shows up as dark patches on wall surfaces or window surrounds. In some instances, it can grow out of sight inside wall cavities.

We will act develop an Assessment. proactively to Damp Risk programme, which will help identify potential problems so that the appropriate preventative measures can be planned (such as improving ventilation), minimising response repair works.

Some organisations have capitalised on BIM (Building Information Modelling) data, combining it with 2D schematics and 3D models to produce virtual images of their assets. These techniques can, for example, help asset management teams undertake “What If” analysis of safety systems and emergency action plans, monitor asset performance, and deliver productivity and collaboration improvements through space delegation.

in the wake of the Covid-19 pandemic which required key asset management and maintenance functions to be undertaken virtually. Some emerging innovations within asset management include:

- Smart Buildings
- Internet of Things devices can be integrated into a centralised control panel, which could be remotely accessed by asset management teams and help drive efficiency and cost savings.
- Fibre Limited to provide full fibre broadband to all our Council housing, linking in almost 5,000 properties.
- There is also growing appetite within property and housing organisations for the use of new technologies, particularly
- Drones: Deploying drones for photography, digital and multi-perspective site visits, allowing landlords to view their properties in a virtual way and identify potential risks or maintenance problems, which may not have been picked up by residents or maintenance teams on the ground.
- 3D Modelling

Aids and Adaptions

It's vital that all of our residents are able to enjoy In their homes and live comfortably. Our homes may be able to be adapted to make it easier for people to live independently. An aid or adaptation could be as small as a handrail or lever tap, or as big as a ramp to enable easier access to the property

As a landlord we must ensure that homes are suitable for our residents and individual needs are considered within a yearly budget for adaptations. We will continue to ensure our investment benefits those residents most in need and benchmark against other landlords and local authorities where appropriate.

In order to support future allocation policy and strengthen the link to our new Active Asset Management approach we will create and maintain an Aids and Adaptations asset register service remains at an order to ensure the forefront of new technology and we are able to benefit from change and improvements in this area, we will appoint an internal champion to help identify opportunities for innovation.

ACTION PLAN

ACTION 1:

Undertake scenario planning on the impact of the likely revisions of the Decent Homes standard assessing the potential additional costs associated with implementing the new standards.

ACTION 2:

Continue to monitor and action all Health and Safety and compliance obligations in line with current legislation and requirements and seek to align with best practice across the major areas (e.g., fire, water, asbestos, gas, and electricity).

ACTION 3:

Ensure that our systems provide assurance on compliance and are aligned with the 'Golden Thread' of information requirements and that Health and Safety reporting and monitoring forms a fundamental consideration within our IT/Data Systems including C365. Review of the process of how current building asset data is maintained throughout the lifecycle of the asset and evaluate potential systems support to compliance with the new legislative requirements from the Building Safety Act.

ACTION 5:

Develop a Damp & Mould Strategy

ACTION 6:

Develop a rolling programme of communications for residents on ways to improve thermal efficiency and reduce energy consumption.

ACTION 7:

Appoint an internal 'Innovation Champion' to work with the Council's Digital Infrastructure & Smart City led to identify opportunities for innovation and inform the investment programme.

ACTION 8:

Using London Accessible Housing Register best practice guidance from the GLA, carry out analysis of existing data. Apply property characterisation to stock and update on Northgate housing system.

THEME 3 - DECARBONISATION

GOAL : We will build on the work already started relation to this vital agenda and pave the way to achieve the Council's net zero objectives.

In 2019 the Council Committed to making Harrow carbon neutral by 2030, accounting for both production and consumption of emissions across our corporate emissions and the housing stock we own. We will make sure that the way we address climate change does not disproportionately impact on the poorest and most vulnerable in society and builds a more sustainable borough.

The Council is also required to ensure all the homes we own are brought in line with the most recent standards; a minimum EPC C rating by 2030 amongst our most fuel poor homes, and by 2035 for our remaining stock.

Our ambition for high quality and energy efficient housing is informed by London Council's Retrofit London Action Plan and will address fuel poverty, Tackle fuel poverty by increasing low-income households' energy efficiency rating and therefore reducing their energy bills. Support clean growth and ensure homes are thermally comfortable, efficient, and well-adapted to climate change.

- Support economic resilience and a green recovery in response to the economic impacts of COVID-19, creating thousands of jobs.
- Use learnings from the delivery experience to inform the development and design of further energy efficiency and heat schemes.
- Reduce carbon emissions from homes within our boroughs, directly contributing to addressing the declared climate emergency.
- 2030
- 2035
- Minimum EPC "C" rating for most fuel poor homes.
- Minimum EPC "C" rating for remaining stock.
- carbon emissions and heat loss causing global warming. The following sets out the targeted outcomes of our stock decarbonisation works.

Energy and Carbon Transformation

UR retrofit approach takes its lead from in London Council's Retro fit Action Plan. It focusses on reducing energy bills (by up to 25%) as well as improving the wellbeing and comfort of residents.

Across the 4,804 homes which we own and manage, 63% of our homes have an EPC band below C. This therefore means that currently 3,055 of our homes will need to be retrofit to bring them up to an EPC rating of C+ in the next 5 years with only 1,737 homes already at this standard.

We will target households struggling with fuel poverty and those which are the most energy inefficient, undertaking a deep retrofit to these homes by 2025. If we are planning to undertake general repairs and maintenance works in a particular area of a home requiring upgrade, we will fast track these decarbonisation works to reduce resident disruption and avoid the costs attached to repeat site visits. Our high-level approach to delivering net zero homes is illustrated here.

- Map out key energy and carbon performance stock
- details
- Develop a retrofit plan per archetype
- Roll out hot water and heating solutions 2027-30
- Fast track fuel poor homes first with heating hot water upgrades
- We aim to achieve a net zero status by 2030 in line with PAS 2035 specification to deliver a whole house retrofit.
- 2022-27 roll out fabric first approaches
- performance of the components and materials

A 'fabric first' approach involves maximising the that make up the building fabric itself, before considering the use of mechanical or electrical building services systems. We dedicate resources to roll out this approach which will drive down energy demand prior to more intensive upgrades (e.g. heat pump ready).

Technology Approach

Direction Setting for New Build Developments

growth of the heat pump in The Government has set out its ambition to support the

market to around 600,000 installation per year by 2028. We will build upon these foundations to procure a higher quality product at a more cost-effective price when we come to rolling out these measures.

Our long-term goal is to ensure O2030 none ambition prior too four existing homes have gas boilers, and where possible we are reliant on renewable energy and electric sources of energy. Without any heat networks in our control, we anticipate that we will be reliant on installation of air source or ground source heat pumps. any new homes we deliver, either through acquisitions or via self-delivery do not become a burden for our retrofit programme.

We recognise that gas boilers should not be installed into our new homes from 2025 as per the Government's Heat and Buildings Strategy 2021 and Future Homes Standard. We also recognise that from 2025, all new homes should be built to the Future Homes it is our ambition to ensure that Standard.

It is expected they will require all new homes to be built to produce 75-80% less carbon emissions compared to today's building regulations along with a set Fabric Energy Efficiency Standard. We will work closely with our Regeneration Team and the Council planning department to ensure our standards and expectations are aligned with evolving requirements.

Funding Strategy

Strategic Partnerships

We will look to implement decarbonisation improvements to our housing stock on a gradual basis to help ensure affordability and measure the impact of these improvements have on a building's performance through Active Asset Management to help inform future plans.

We will streamline and integrate our decarbonisation works with other elements of the asset management strategy e.g. compliance works, decent homes work, to help us save costs on contractor overheads and profits, site set up costs and internal project management resource costs.

However, financing we recognise that our on-going net zero works may require additional sources of funding. We will therefore dedicate resource to applying for Government Grant funding initially through the Social Housing Decarbonisation Fund. Alongside this we will explore other government grant funding options and solutions to help support this important agenda.

Here strategic alignment exists will We seek to form strategic partnerships to support us in delivering our net zero works. Managing, designing, procuring, and constructing to achieve a net zero status is still a relatively new path for most, and in the context of rising costs and supply chain shortages, partnerships offer a useful alliance to help meet the objectives of this strategy.

We recognise that by partnering with other organisations there is a huge opportunity to share lessons learnt amongst each other, promote innovation in the net zero space, drive efficiencies with certain activities and achieve economies of scale on net zero materials, products and services. Through future partnerships we will aim to provide assurances to the market and our supply chains on the scale of works expected across the pipeline so that they can gear up for us.

ACTION PLAN:

Support the core principles of the Retrofit London Home Action Plan by developing a whole house retrofit plan for typical house-types in the borough and prioritise treatment plans for households in most need.

ACTION 2

We will dedicate resources to re-map priorities where data quality and comprehensiveness is weak and use remote monitoring to ensure up to date records on key energy and carbon performance metric that will help us prioritise decarbonisation and wider asset management works.

ACTION 3

Develop a strategy to roll out fabric first measures to all suitable homes in next 5 years consisting of upgrades windows, doors, roofing, insulation and overlaying the opportunities for upgrades onto repairs/maintenance and building safety schedules of work to drive efficiencies cost and resource efficiencies.

ACTION 4

We will prioritise families most in need to fabric first upgrades using fuel poverty and social value indicators.

ACTION 5

We will ensure that our business plan budgets allow for battery and hot water shortages for our most in need households to help our households use energy off the grid not during peak demand.

ACTION 6

Refresh our new build specification and Employers Requirements, aligning them with energy efficiency and carbon reduction ambitions set out in this strategy and the council's interim Climate Change and Ecological Strategy.

ACTION 7

Use stock mapping to understand the current heating and hot water solutions of our homes and identify opportunities and threats to rolling out new technologies and sources of heat and hot water.

ACTION 8

We will explore and apply for applicable Government Grant funding sources which we qualify for; and explore alternative financing options, beyond government grant funding, to access suitability to support us in decarbonising our stock.

ACTION 9

Work in partnership with other boroughs to collectively develop models which will help us to apply retrofitting measures to our own Council stock, including shared procurement, developing area-based strategies, finding solutions to planning challenges and undertaking a range of measures to develop a skilled workforce.

THEME 4 - MANAGING ASSETS EFFICIENTLY

GOAL:

We will aim for a “golden ratio” of service of at least 60% planned and preventative activities and 40% responsive activities, and that the direction of travel maintains a trajectory towards decreasing instances and the cost of responsive repairs.

Introduction

Minimising Responsive Repairs Key aim of the updated AMS is the effective and efficient management of our homes, in terms of direct cost and delivery. This section relates to our day-to-day operational activity and therefore covers work programmes but also our systems and team.

We want the concept of Active Asset Management to be central to how we work and become a vital tool for the team, this process has already started, and our initial modelling has helped to drive the proposed three-year plan. But fundamentally the efficiencies that we are striving to achieve across the service Will be reduction measured by a in the responsive repair bill, and more comprehensive planned investment – most of the actions included within this strategy align with this overall objective and we are targeting a measurable split of 60% planned and 40% responsive financial expenditure moving forward.

The team will move towards this ‘golden ratio’ by delivering a comprehensive Planned Maintenance Programme and a new Planned Preventative Maintenance Programme.

Very recently ears, responsive repair costs have increased in proportion to planned spend, resulting in:

- Lack of cost efficiency and economies of scale for individual, ad-hoc repairs. Lack of resource efficiency with a higher level of unplanned responsiveness.
- More instances of repairs being required in our residents’ homes (associated with a lower level of planned and preventative maintenance activities).
- To help deliver a more effective and efficient service we will aim
- to shift more of our spend and resource away from responsive repairs and prioritise planned and preventative maintenance.
- In order to help achieve this, we want to create better and closer linkages between the responsive and planned teams, as there is vital knowledge and understanding of the stock that has been gained through the repairs programme – this is insight that should feed into Active Asset Management and the investment planning process.

We have developed a new three-year Planned Maintenance

Programme:

The programme is fully funded in the Council’s current Business Plan for the next three-years. There is a secondary, indicative, programme covering years 4 - 5. This plan was produced by a combination of asset appraisals, including:

- Stock Condition Surveys carried out in collaboration with external consultants.
- High-level SHAPE modelling.
- review, quality
- Internal planning validation, and assurance.

- 3 YEAR PROGRAMME
- ADDITIONAL YEARS
- BUDGET DESCRIPTION

BUDGETS	3 YEAR PROGRAMME			ADDITIONAL YEARS		Total
	2022-23	2023-24	2024-25	2025-26	2026-27	
Main Programme	8,428,048	8,428,048	8,428,048	8,428,048	8,428,048	42,140,240
Retrofit for Energy Efficiency	1,000,000	1,000,000	1,000,000	0	0	3,000,000
Housing IT System	178,880	0	0	0	0	178,880
Aids and Adaptions	845,000	845,000	845,000	845,000	845,000	4,225,000
Total Budget Investment	10,451,928	10,273,048	10,273,048	9,273,048	9,273,048	49,544,120

Spend allocated across works programme is as follows:

- Procurement
- Data Quality - Stock Condition Surveys

Managing Assets efficiently Within the planned programmes, efficiencies are vital. At the time of drafting this AMS, the Council was experiencing significant challenges relating to cost certainty caused by converging macro-economic factors – ensuring value for money has never been as important. Timing of planned works also has a significant impact in a volatile market.

Within the programmes, efficiencies are look to secure planned procurement vital. We will economies of scale and other efficiencies across the procurement of the Planned Maintenance Programme, identifying elemental and geographical efficiencies where possible.

Stock Condition Survey provides the Council with information on the quality of our homes. It assesses the age and condition of each building component and helps the Council plan for future replacements and upgrades.

Central to asset management is the collation and use of robust and integrated data to enable effective planning and decision making. The Planned Maintenance Programme is supported by data from our PIMSS asset management database. This information is used to identify works which are due and to develop investment programmes, in line with the priorities set out in our AMS.

Stock data is continuously being updated through a rolling programme of surveys with 15% internal and external survey completions recorded from 2019/20 to 2020/21. This rolling programme is vital for the 'Active Asset Management' approach, where the condition and lifespan of components needs to be continually monitored and reviewed. The information will be used as a planning tool to identify works which are due and to develop investment programmes, in line with the priorities in this strategy.

Planned Preventative Maintenance Programme Systems Resourcing

the Council's dedicated Repairs the Responsive and Team is initiating a seven- year cyclical programme of Planned Preventative Maintenance, which aims to reduce reactive repairs by identifying potential problems before they arise, therefore improving value for money.

A specific resource has been assigned to manage the programme and an annual budget included in the current Business Plan. A scope of works has been set along with agreed provision of capitalisation when required (such as for vinyl flowing, Circulation space refurbishments, redecorations and lighting upgrades).

The PIMMS data management system Tis currently utilised across the Council, and this is a crucial resource in managing asset investment (Stock Condition Survey and other key housing data collated on PIMMS). There is a plan to convert to a new database – Capita Keystone – although this is expected to take up to two years to implement. This offers the team an opportunity to help to steer and influence the design and set-up stages of the new system.

The aim for the new database and data management systems should be to minimise data transfer and reduce a need for separate Excel records. This should be considered in the set-up and supports a 'one version of the truth' data quality concept.

With an increased emphasis on 'Active Asset Management' in the coming years, there may be requirement for dedicated resourcing in some specialist areas, for example enhanced business / data analyst expertise. We will also explore the opportunity to develop in- house skills and capacity by implementing "a grow our own" programme to support planning and delivery of retrofitting our homes.

ACTION PLAN:

ACTION 1:

Create linkages and capture repairs stock insight in a more formal way for the service. There is a possibility for direct input into the operational investment matrix, but also periodic meetings between teams where issues over the last period can be discussed raising internal awareness.

ACTION 2:

Implement the three-year Planned Maintenance Programme (taking account of essential works, compliance and nether priorities), and ensure medium-to long-term planning decisions balance "Just-In-Time" efficiencies and coherent planned investment profiles.

ACTION 3:

Fully implement the new Planned Preventative Maintenance Programme and ensure maintenance tasks are appropriately scheduled to help decrease reactive repairs and increase value for money and customer satisfaction.

ACTION 4:

Seek to secure efficiencies in the procurement of the three-year Planned Maintenance Programme.

ACTION 5:

Discuss procurement options and opportunities with the Procurement team to seek to produce efficiencies with delivery and expenditure.

ACTION 6:

Develop a stock condition strategy to include overarching approach to stock condition collection, frequencies and mapping of data sources collection through non-traditional methods.

ACTION 7:

Establish a working group to ensure that migration to the Keystone Asset Management system reflects the operational process to align with the priorities of the AMS.

ACTION 8:

Consider how the proposed focus on “Active Asset Management” agenda will impact on resourcing requirements (e.g. via dedicated data analyst) and recruit accordingly.

ACTION 9:

Develop a strategy for delivery of phase 1 & 2 of the retrofit programme including staffing resources and delivery plan, linked to the governance and procurement plan.

ACTION 10

We will ensure non-residential HRA assets, for example garages, form part of the Active Asset Management process, including undertaking option appraisals for poorly performing assets.

ACTION 11

We will consider if some asset groups could benefit from a wider portfolio-level review to establish a range of potential options.

ACTION 12

Ensure that the procurement of the repairs contract aligns with the principles of active asset management.

THEME 5 - OUR RESIDENTS AND COMMUNITIES

GOAL:

Utilise the Council’s corporate approach to communications and engagement to engage and consult with residents and leaseholders effectively and efficiently, facilitating on-going conversation, influence, feedback and action.

Introduction Resident Engagement the Council’s Resident Engagement Strategy T2021-24 sets the ambition for the borough to deliver “great customer experiences and community outcomes”. that these embedded It is important ambitions are throughout the

delivery of this strategy and that engagement and consultation are not dealt with as a separate, discreet actions.

The concept of ‘Active Asset Management’ is core to this updated AMS and will allow a direct link between customer feedback and investment decisions. This aligns to the objectives of the Resident Engagement Strategy which is for Harrow residents to enjoy living in their home and their neighbourhood and for:

- Opportunities to have a role in evaluating and improving housing services.

- Communities encouraged to get involved in improving their neighbourhood.
- Council staff to listen, follow up, and feedback. We intend embrace Active Asset

Management where the service team can apply a range of more diverse criteria to investment planning decisions on the ground. An important part of this will be to seek feedback from a wider range of stakeholders, including tenants and leaseholders and factor this into the scoring, weighting and assessment of asset performance.

We are committed to continuing to engage with residents to develop and implement actions arising from this strategy – to do this we will create a dedicated Asset Management Strategic Panel to deal with strategic matters and provide a forum for engagement in relation to:

- Design and implementation of the strategy (general matters).
- Achieving Net Zero.
- Contractor performance
- procurement.
- Customer satisfaction
- feedback and actions.

Currently the service is operating to Decent Homes Standards. During 2021 the government convened a working group to help review and update the Decent Homes Standard and consultation on a new home's standard is ongoing.

Whilst we refer to residential “assets” within the service, we must remember that these are all people's homes. Therefore, we need to build trust and understanding and create tangible ways for residents to influence the service they are receiving.

Customer Satisfaction Social Value Once the detail of this new standard is understood we will commit to bring implications and proposed actions to appropriate resident forums to discuss impact and customer satisfaction is currently collected Using a range of methods, for example, Star Surveys and repairs satisfaction via customer panels. The customer involvement structure includes a Resident's Board and consultative group (Housing Matters), which ensure that key decisions have input from the customer base.

However, this process can be strengthened to provide a simple and direct link to our Active Asset Management approach and allow customer feedback to influence investment decision making. We will therefore design a new survey to allow a level of detailed and useful analysis and consider the timing and regularity of these surveys to ensure we have up- to-date, meaningful feedback.

The consider some more enhanced implementation. At this point we may also be able to our resident choices to upgrade the works, within the context of offering best value.

In July 2021, a decision was taken to renew the Housing Repairs contracts for Slade and Wates for a further three years, covering responsive repairs and maintenance across the service. The extension allows the Council to access a full complement of Social Value benefits from these partners.

We have used social objectives to inform our scoring approach to analyse the performance across our stock, grouped into three categories–Homes, Customer, and Community and include a view on matters such as anti-social behaviour, demand and fuel poverty.

SLADE

Local Resident Employment:

- Local Resident Employment: Employed eight Harrow residents and provided two work placements.
- Spend per Annum:
- £750k per annum local supply chain spend.
- Number of Apprentices: Three apprentices have been employed since 2016
- Spend per Annum:

WATES

- Local Resident Employment: Employed eight Harrow residents and provided two work placements.
- Number of Apprentices: Five apprentices have been employed since 2016
- have been employed since 2016
- Spend per Annum:
- £700k per annum local supply chain
- spend
- Employment & Training Opportunities: Both organisations advertise via Harrow Job Centre Plus and Councils
- Estate Improvement / Public Realm Non-Residential Assets

OUR RESIDENTS AND COMMUNITIES

Priority for the service is to improve the quality of A life for our residents by making our estates cleaner, greener and safer places to live. The impact of excellent external space cannot be underestimated and has a direct link to the quality of life our residents and communities.

We currently manage Minor Estate Improvement (MEI) projects which are used to improve estates or reduce crime. To facilitate this, we carry out formal inspections of each housing estate. These inspections cover all aspects of communal repairs and estate- based services such as internal block clearing, caretaking, and grounds maintenance. Residents are invited to join inspections to discuss works proposed and feedback on other issues.

Our regeneration plans have an emphasis on high quality external environments and public realm, and our new developments are planned to enhance the environment for the whole community and not just the incoming residents.

External and environmental matters will be captured in the wide Active Asset Management approach and will therefore be factors feeding into stock investment planning decisions.

The council owns a number of non-residential assets, such as garages, which provide a small revenue income. However generally demand is low due to some of the garages being too small for Modern cars and consequently they may be used for other purposes such as storage.

There are 23 shops, a doctor's surgery, an office, a children's centre and a neighbourhood resource centre in the HRA, all of which have council accommodation above them. These are managed by the estates valuation team and are not addressed specifically by this strategy. There are also 11 community centres which are in use by community groups but generate little income.

The above these assets should be considered holistically as part of Active Asset Management within the service. If demand remains strong then there should be planned investment, but where non-

residential assets perform poorly, we will undertake an Options Appraisal to consider future options such as potential development or placemaking.

Specific studies could be carried out on non-residential portfolios, for instance community centres, where a structured options appraisal could cover the entire portfolio. This kind of portfolio-level assessment could augment the options appraisal process being conducted via Active Asset Management.

OUR RESIDENTS AND COMMUNITIES

ACTION PLAN:

We will use AAM working group to determine how best to capture tenant and leaseholder feedback into the Operational Investment Matrix and engage with the appropriate forums to implement this.

ACTION 2

Once detail on the new Decent Homes Standard is available, we will analyse the implications and consult with residents, along with any related options for tenant choice.

ACTION 3

We will work closely with our Housing Management team to set up and appoint a resident Asset Management Strategic Panel to deal with all strategic on-going matters impacting on the service they receive.

ACTION 4

We will review customer satisfaction surveys and explore how valuable customer intelligence could be gathered and feed into the Operational Investment Matrix and our wider “Active Asset Management” approach.

ACTION 5

We will include social value indicators within the scoring methodology for the procurement of the planned works packages over the course of the strategy.

ACTION 6

We will ensure that social objectives are included within the Operational Investment Matrix, so that they are considered in all investment decision making and procurement of works packages.

ACTION 7

We will ensure that environmental estate matters form part of the Operational Investment Matrix approach and therefore investment planning.

Section 2

DELIVERY & MONITORING – Funding the strategy

The business plan provides an overall envelope for investment across all building pathology elements in the housing portfolio. The base Business Plan covers a 30-year period and aligns with the Service’s three-year plan in terms of planned spend (although there is a desire to push down the proportion of actual responsive spend so that we move toward a 60;40 planned to responsive split over time.

It should be noted that there is an amount of (unspent) budget carried forward into year 1, which is in addition to the planned spend for year 1.

Placeholder: This section to be added to in relation to business plan impact beyond 3 years as a consequence of various actions in this strategy. We aim to free up proportionately more budget for planned activities by driving down responsive repairs over time. However, we will need to have this conversation with finance colleagues to agree commitment.