

Item No. 11.	Classification: Open	Date: 15 March 2016	Meeting Name: Cabinet
Report title:		Asset Management Strategy	
Ward(s) or groups affected:		All wards	
Cabinet Member:		Councillor Richard Livingstone, Cabinet Member for Housing	

FOREWORD – COUNCILLOR RICHARD LIVINGSTONE, CABINET MEMBER FOR HOUSING

Southwark Council has the second largest number of council homes in the country. Sadly, back in 2010, only 56% of those council homes met the government’s Decent Homes standard. Worse still, the audit commission had then recently criticised the fact that the council had no clear plan on how it was going to put this right.

I am therefore proud to be able to say that by the end of this month, 90% of our homes will meet the Decent Homes standard. The last five years have seen record levels of investment into our council homes to make sure that they are Warm, Dry and Safe.

But this is only the start of our work to ensure that our council homes are of a good quality. In our fairer future promises, the council set out that it would ensure that every council tenant has a quality kitchen and bathroom. We will also be reintroducing cyclical external decorations for our homes, improving our lifts and other mechanical and electrical systems, and taking further steps to reduce fire risks. Southwark Council is investing now to build a better future for our tenants and leaseholders.

This report and strategy set out how we will achieve this, setting out a clear plan for all our estates up to March 2024 so that their residents know when it will be their turn in the Quality Homes Investment Plan. In October, Cabinet considered a draft of this Asset Management Strategy. We have now consulted widely on the proposals and have made some amendments to it following this feedback.

At last month’s Housing and Community Safety Scrutiny Sub-Committee, I was asked that we take steps to further improve the clarity on what work will take place and when for every block that the council manages. We will therefore be making sure that the information on this contained in the strategy is put on to the council’s website in a user-friendly way so that everyone can easily find when it is their turn to benefit from the Quality Homes Investment Plan.

RECOMMENDATIONS

That cabinet:

1. Notes the results of the public consultation of the draft asset management strategy, noting the feedback within Appendices 1-3 of this report.
2. Approves the asset management strategy within Appendix 5 of this report.
3. Approves that the strategy will be publicised and made widely available as outlined in the communications section of this report (paragraph 36).

4. Approves the resources outlined for 2016/17 as outlined in paragraph 59.
5. Notes the revised standard which maintains decency and delivers the kitchen and bathroom guarantee alongside cyclical decorations.
6. Notes that the asset management strategy sets out a delivery timetable for:
 - a. Maintaining a high level of decency
 - b. Delivering a cyclical works programme
 - c. Completing the kitchen and bathroom programme within the first cycle of the programme
 - d. Delivering a mechanical and electrical programme
 - e. Bringing the building components of all properties to a Fire Risk Assessment (FRA) 'tolerable' level by the end of the first cycle of the programme.
7. Notes that there will be an annual update report on the delivery of the strategy and resources will be agreed annually through the financial business plan.

SUMMARY

8. The Asset Management Strategy (Appendix 5) sets out a programme for completing major works for the next eight to ten years. The strategy is aimed at delivering key strategic priorities with resources that are included in the Housing Revenue Account (HRA) 30 year plan.
9. The strategy sets out plans to achieve a well maintained, sustainable housing stock that residents value and enjoy living in. The original draft strategy went to Cabinet on 20 October 2015, and this has now been out to widespread consultation.

BACKGROUND INFORMATION

10. Following the Housing Commission report in 2012 the council engaged Savills to carry out a stock options appraisal of its assets. Their final report was issued in June 2013. This noted that: 'The development of an active policy of managing housing assets which challenges the value for money of each investment decision, based on an analysis of both the value of future cashflows, and the extent to which investment meets the council's social housing objectives could improve long term business plan capacity and resident satisfaction.'
11. Savills' work provided a stock investment financial profile that has been adjusted and used as the financial basis for the investment outlined in this plan. However, this work was prior to recent government proposals on rent reduction and the extension of Right to Buy. Work is continuing on the HRA 30 year plan to balance resources with strategic priorities, with the investment outlined in this report included in the plan's assumptions.

KEY ISSUES FOR CONSIDERATION

12. The council's previous Warm, Dry and Safe (WDS) standard has focused on the external structure of estates and street properties, carrying out works to those in the worst condition first and bringing properties to the Decent Homes Standard. This has meant that the structure and external elements will meet the WDS

standard on completion of the programme. The strategy proposed addresses wider investment needs including internal works such as kitchens and bathrooms as well as the need for cyclical maintenance.

13. The strategy is aligned to achieve the Fairer Future Promise: Quality affordable homes, which states ‘We will improve housing standards and build more homes of every kind, including 11,000 new council homes with 1,500 built by 2018. We will make all council homes warm, dry and safe and start the roll out of our quality kitchen and bathroom guarantee.’
14. Through the “Quality Homes Investment Programme” outlined within the strategy, the council will continue to deliver the Cabinet commitment to keep improving council homes.
15. There are a number of national factors which continue to put pressure on the Housing Revenue Account (HRA) and the council’s ability to deliver its priorities including the strong promotion and increases in local authority right to buy, proposals forcing councils to sell vacant council properties in the upper third of values and a 1% reduction each year in social rents over the next four years.
16. Despite these pressures, this report outlines proposals for the delivery of this promise, by setting out plans for a cyclical works programme. As part of this programme the remaining kitchen and bathroom renewals will be delivered and this programme will also maintain decency. The strategy also plans out the mechanical and electrical investment over the period.
17. The council will be moving to this cyclical programme over eight to ten years. In general, in the longer term there will be an average of 7,000 properties included in each annual programme if a seven year programme can be met within budgets. Wherever possible, when implementing cyclical works, all main internal and external works, such as doors, roofs and windows, are to be carried out to the structure of a block, together with external and communal decorations and repairs. The individual components of buildings, which are the parts of the building that make up the overall structure, such as doors, roofs and windows, will be repaired where feasible or renewed if detailed surveys indicate that the condition is such that the component has reached the end of its repairable life-span. The kitchen and bathroom guarantee will be delivered alongside the cyclical programme. Delivering works together will improve value for money and reduce disruption to residents. The cyclical programme prioritises blocks that have not been in the previous WDS programmes, those falling out of decency and then those in previous WDS programmes. However, programmes are subject to reprioritisation due to emergencies and additional investment requirements.
18. Fire safety remains of paramount importance to the council. As one of the largest landlords in the country, Southwark takes its duties very seriously and ensures that FRAs of all communal areas are kept current and plans are in place to actively manage risks to minimise injury or loss of life in the event of a fire. Works required to reduce the risk from the spread of fire and smoke from these FRAs will usually be integrated into the cyclical programme to bring the building components of all remaining blocks to a ‘tolerable’ rating. The works are typically ventilation adjustments, fire stopping, replacements of doors to properties and communal doors to meet standards required by the fire safety regulations. The FRA programme of works is reviewed on a quarterly basis through a joint

strategic meeting between the council and the London Fire Brigade to ensure that resources are appropriately prioritised.

19. It should be noted that the Aylesbury Estate has been excluded from officers' plans to develop an on-going asset management strategy, including kitchens and bathrooms renewal because it is part of a separate estate regeneration programme.
20. The strategy only covers the forward programmes and does not include the resources of schemes under existing programmes such as WDS work identified for Tustin Estate and Portland Estate. These schemes are scheduled towards the end of the new cyclical programme as they are due investment under existing programmes, so will not require work until towards the end of the new cycle.
21. The report outlines an improved standard for homes across the borough delivered through an on-going cyclical programme initially over 8 to 10 years. The standard can be summarised as:
 - a. Maintaining the council housing stock to the Government's Decent Homes Standard
 - b. Keep homes in a reasonable state of decorative repair and maintenance
 - c. Provide a quality kitchen and bathroom
 - d. Providing programmed upgrades to other 'non decency' components such as lifts
 - e. Provide programmed works required from FRAs to maintain the building components of all blocks to a 'tolerable' rating.
22. Most of the mechanical and electrical investment is programmed separately. Many district heating systems have far exceeded their life expectancy. There is a separate options appraisal which will be completed by the end of February. A separate report will go to Cabinet in April. There is currently £5m per annum for major district heating works within the asset management strategy and the review could mean there are requirements for other means of funding on top of this.
23. Security will be increased through the availability of a revenue budget for upgrading obsolete door entry systems and new installations where anti social and criminal activities exist, and a resident ballot held to agree to a service charge increase.
24. The strategy will be monitored through reporting on key actions and associated measures, primarily through an annual report to cabinet including updates on the:
 - a. delivery of the cyclical works programmes;
 - b. delivery of the kitchens and bathroom guarantee;
 - c. review of planned and reactive budgets to ensure the best use of resources;
 - d. review of the planned investment programme to ensure the investment will deliver economic and social performance;
 - e. review of resident consultation on major works;
 - f. delivery of the lift and heating programmes;
 - g. delivery of the upgrade to the APEX asset management and compliance system.

25. The design and initial consultation for the 2016/17 programme has commenced in order to ensure that the schemes can start on site in 2016/17, as agreed at cabinet on 20 October 2015.
26. Following the Housing Commission report in 2012, Savills consultancy was instructed to carry out work in conjunction with the council to assist with a comprehensive appraisal of the overall performance of current HRA assets. The aim of this review was to:
 - a. Consider operational cash flows at a local level and assess their worth to the housing business to provide a measure of financial performance
 - b. Identify non-financial measures of social sustainability and to provide an analysis of this at the same local level.
27. Savills' evaluation of the performance of HRA assets has been used to inform the investment strategy and detailed planning based on an active asset management approach, where the council seeks to make investment decisions that are informed by an understanding of the financial performance of the stock, and the extent to which it delivers the council's social housing objectives. In this way decisions can strengthen the business plan and contribute to meeting the council's policy objectives.
28. The strategy endorses an active asset management approach, undertaking activities to improve or replace properties that have a poor economic and social performance with properties that are fit for purpose. An appraisal of the first year investment included in the Housing Asset Management Strategy (Appendix 5) identifies properties that have, for the moment, been removed from the programme for further consultation in line with the Charter of Principles.

Policy implications

29. The council plan confirmed the ten Fairer Future promises, a set of key commitments to the residents and businesses of Southwark that outline the areas the council will be working towards as an organisation to create a fairer future for all. The updated promises were approved by cabinet on 2 July 2014.
30. A structured approach to asset management supports three of these promises in particular through providing a structure for prioritising and making investment decisions. Such investment decisions may be investment in our properties but may also be to improve the conditions of the local area for all of Southwark residents.
 - a. **Promise 1 – Value for Money**
We will continue to keep council tax low by delivering value for money across all our high quality services. The structured asset investment approach will look at priority estates and set out the options for each estate to ensure that Value for Money is achieved from the investment being made.
 - b. **Promise 3 – Quality Affordable Homes**
We will improve housing standards and build more homes of every kind including 11,000 new council homes with 1,500 by 2018. We will make all council homes warm, dry and safe and start the roll out of our quality kitchen and bathroom guarantee. This approach will enable priorities for financial resources to be balanced between existing stock and the delivery of the new homes programme.

- c. Promise 9 – Revitalised Neighbourhoods
We will revitalise our neighbourhoods to make them places in which we can all be proud to live and work, transforming the Elephant and Castle, the Aylesbury and starting regeneration of the Old Kent Road. This approach will both improve the physical aspects of our existing housing assets but also look at the wider social economic aspects of the areas in which they are situated.

- 31. Southwark Housing Strategy to 2043 sets out Southwark’s first long-term housing strategy, and marks Southwark out over others in setting out a long-term plan of action. Principle 2 states ‘We will demand the highest standards of quality, making Southwark a place where you will not know whether you are visiting homes in private, housing association or council ownership’, and more specifically the following commitments as set out in the strategy:
 - a. Putting in place a robust 30 year business plan, enabling us to invest in our homes, improve energy efficiency and provide a planned, preventative approach to maintaining and investing in our housing stock
 - b. Providing a quality kitchen and bathroom for all council homes
 - c. Carrying out other improvement works to our stock and the surrounding area, including increasing estate security.

Community impact statement

- 32. Improving housing in Southwark is central to the council’s wider plans to create a fairer future for all. Access to appropriate, good quality, genuinely affordable homes is important not just for residents but also to the wider economy and essential to shaping a borough that all residents can be proud of and which is truly sustainable into the future. A key part of this is the active management of current council housing assets that this report addresses to ensure that they play their part in continuing to make a positive impact on the community.
- 33. With regard to locations where the decision is taken to proceed with either new council housing or investment in existing stock, those living in properties with major works or living close to new developments may experience some inconvenience and disruption in the short-term, while works are taking place but communities as a whole will benefit in the longer term.
- 34. In local areas, the effects will be mitigated by working closely with residents on the delivery process and using experience gained on a significant number of recent projects. Residents will continue to be at the centre of and involved in works that take place. Where financially viable other positive community impacts will also be included as part of the works.
- 35. The works will provide a better standard of accommodation for tenants and contribute to improved general health and well being. Due consideration will be given to those tenants with specific needs both during works and after completion.
- 36. The Public Sector Equality Duty requires public bodies to consider all individuals when carrying out their day to day work, in shaping policy, in delivering services and in relation to their own employees. It requires public bodies to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations between different people when carrying out their

activities. A large number of community groups were specifically consulted with as part of the consultation.

37. The consultation ran from October 2015 to January 2016, following the original timetable, and was designed to be inclusive and to provide different ways for residents to feedback and engage. Further information can be found under the consultation section of this report (paragraphs 44-46). All councillors were consulted and given an opportunity to comment on the strategy.

Communications

38. Further to the strategy being agreed it will be publicised on the council website, in Southwark Housing News and by emailing councillors, Tenant Management Organisations (TMOs) and Tenants' & Residents' Associations (T&RAs). This will include providing links to programme information provided by Area, Estate and Ward. The possibility of linking programmes to My Southwark accounts and interactive maps is also being explored.

Economic considerations

39. Successful works contractors will be expected to deliver direct benefits to the local community and local residents. It is proposed that these benefits will be delivered through some or all of the following possible means during the enabling works contracts, if available and possible but especially so during the progress of the main construction works:
 - a. Supply chain and procurement
 - b. Use of local labour and training initiatives
 - c. A commitment to construction apprenticeships in proportion to the size and scale of the development
 - d. Corporate social responsibility and sustainability
 - e. Community initiatives in the borough and on estates where works are taking place.

Social considerations

40. The appointed contractors will carry out the works in accordance with the Considerate Contractor scheme, which seeks to minimise disturbance and disruption in the locality during the construction phase. Their performance will be monitored as a Key Performance Indicator (KPI).
41. The council is an officially accredited London Living Wage (LLW) Employer and is committed to ensuring that, where appropriate, contractors and subcontractors engaged by the council to provide works or services within Southwark pay their staff at a minimum rate equivalent to the LLW rate. It is expected that payment of the LLW by the successful contractor for this contract will result in quality improvements for the council. These should include a higher calibre of multi-skilled operatives that will contribute to the delivery of works on site and will provide best value for the council. It is therefore considered appropriate for the payment of LLW to be required. Anticipated benefits include a more incentivised workforce and improved staff retention. Following award, these quality improvements and any cost implications will be monitored as part of the contract review process.

Environmental considerations

42. Through ECO funding and delivery in partnership with British Gas over 7,000 properties benefited from energy efficiency works by March 2015. The council will continue to look for opportunities to maximise funding and deliver energy efficiencies including, carrying out pilot scheme to look at photovoltaics on a council block, replacing redundant lighting with more energy efficient lighting systems and providing insulation when replacing roofs.
43. The council will also improve thermal comfort by replacing single and double glazed units that are beyond repair with modern double glazing and improving the efficiency of district systems through the use of Building energy management systems (BEMS).
44. The code for 'Sustainable Homes' requirements will cover the construction process as well as design and specification and will set targets for minimising the adverse environmental impact of carrying out the works for each project.
 - a. The project briefs prescribe materials and components to be specified for the works; in terms of excluded construction materials, good practice is to be adopted
 - b. Asbestos products: not to be specified
 - c. Brick slips: only to be used where cast onto pre-cast elements as risk of failure is unacceptably high
 - d. Man-made mineral fibre (MMMf): the material to be encapsulated in all applications
 - e. No insulation materials in which hydro fluorocarbons (HFCs) are used in their manufacture or application
 - f. No hardwood unless from FSC or equivalent sources.
45. A low energy, efficient and cost effective building engineering services design that keeps running costs to a minimum, will be an essential component of the project brief. Key considerations will include:
 - a. Consideration of whole life-cycle costs;
 - b. Sustainable sourcing, including locally produced materials and, where possible, timber from renewable resources;
 - c. Selection of contractors should take into account their environmental policies;
 - d. Incorporation of environmentally benign heating and lighting provision;
 - e. Provision of facilities and equipment to encourage the re-use and recycling of materials including, where practicable, water recycling;
 - f. Ensuring projects achieve Code for Sustainable Homes criteria.

Consultation

46. An initial consultation on the principles of the strategy took place with the Future Steering Board, Home Owners' Council, Tenants' Council and Area Forums over September and early October 2015, and was reported to Cabinet on 20 October 2015.
47. After the draft strategy was agreed in principle, consultation on the more detailed draft strategy took place both through the existing resident forums as well as through the website to encourage wide feedback from the community, in accordance with the original timetable as reported to Cabinet in October 2015.

48. An online consultation was publicised in Southwark News, Southwark Life Housing News, and on the Southwark website. Emails were sent out to Councillors, community and faith group leaders, community development colleagues, the voluntary sector, and interested individuals identified by Community Engagement. A dedicated email was set up for general enquiries about the programme. As well as this, every Area Housing Forum, the Home Owners' Council, as well as the Future Steering Board, TMO committee, and Tenants' Council were all provided with the documentation and meetings attended by senior members of the Major Works team delivering a presentation on the strategy. All T&RAs & TMOs were directly contacted to invite them to participate in the consultation through the website. The comments and queries gathered throughout the consultation can be found within Appendices 1-3 of this report. The results of the consultation illustrated majority agreement with the strategy and changes that were made to the programme as a result of the consultation can be found within Appendix 4.

Financial issues

49. This report is requesting cabinet to approve the asset management strategy and other related recommendations which are detailed in the recommendations. The estimated cost of implementing the asset management strategy across the years is summarised below and detailed in Appendix 1 of the Housing Asset Management Strategy (Appendix 5).
50. The cyclical programme - as reflected in Appendix 1 of the Housing Asset Management Strategy (Appendix 5).

Type of Works	1	2	3	4-5	6-7	8-10	Total
External & Communal Maintenance (Estates)	£ 18,280,498	£ 15,170,830	£ 22,114,935	£ 76,591,585	£ 96,978,513	£ 174,341,359	£ 403,477,720
Kitchens & Bathrooms (Estates)	£ 5,653,064	£ 4,275,440	£ 6,760,680	£ 27,318,837	£ 31,861,144	£ 41,541,682	£ 117,410,847
Street properties (All works inc. K&B)	£ 9,109,359	£ 14,688,858	£ 6,186,803	£ 6,439,226	£ 38,125,337	£ 34,621,028	£ 109,170,611
Engineering	£ 12,240,000	£ 12,480,000	£ 12,720,000	£ 26,160,000	£ 27,120,000	£ 42,480,000	£ 133,200,000
Fire Risk Assessment	£ 3,060,000	£ 3,120,000	£ 3,180,000	£ 6,540,000	£ 6,780,000	£ 10,620,000	£ 33,300,000
Total	£ 48,342,922	£49,735,128	£ 50,962,417	£ 143,049,648	£ 200,864,994	£ 303,604,069	£ 796,559,178

Budget issues

51. The business plan will be used to inform individual years' budgets.

Staffing issues

52. There are no staffing issues arising directly from this report.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Law and Democracy

53. The report makes a number of recommendations in respect of a draft asset management strategy for its housing stock including noting the results of consultation and approval of the asset management strategy. By virtue of Part 3B of the Constitution, the approval of the asset management plan is reserved to the cabinet.
54. Details of the consultation carried out with interested parties are set out in the report.

55. Cabinet members should satisfy themselves that the consultation satisfies legal requirements. To meet legal requirements consultation must be undertaken when proposals are still at a formative stage; it must include sufficient reasons for the proposals to allow interested parties the opportunity to consider the proposal and formulate a response, allow adequate time for interested parties to consider proposals and formulate their response. The outcome of the consultation must be conscientiously taken into account when the ultimate decision is taken.
56. When considering the recommendations, cabinet members must also have due regard to the public sector equality duty contained within section 149 of the Equality Act 2010. That is the need to eliminate discrimination, harassment, victimisation or other prohibited conduct; advance equality of opportunity between persons who share a relevant protected characteristic and those who do not and foster good relations between those who share a relevant characteristic and those that do not share it. The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. Cabinet members are referred to the communities' impact statement contained in this report.

Strategic Director of Finance and Governance (H&M15/022/IY)

57. The strategic director of finance and governance notes the contents of the report and endorses the need for a coherent and strategic asset management approach to managing, maintaining and improving the council's existing housing stock and delivery of new homes as part of the council's Fairer Future promises.
58. The report outlines a future investment requirement of £797 million to address the needs of the existing stock over the next 8 to 10 years, commencing in 2016/17. This is in addition to commitments arising from the residual WDS programme, other specific works programmes, HINE and regeneration schemes, (the costs of which fall to the HIP, particularly leasehold buy-backs). Running in tandem is the direct delivery programme, which continues to ramp-up towards the initial target of 1500 new homes by 2018 and is resource hungry in the early years in cash flow terms. Beyond that, the position becomes less clear, particularly given the vagaries of government policy on social housing. Overall, a programme of this magnitude totalling c.£1.4 billion represents one of the most ambitious capital programmes in the country and is heavily reliant on funding availability going forward.
59. The report seeks cabinet approval of the overall asset management strategy and specifically the year one programme (2016/17) in the estimated sum of £48.3 million. At this juncture, there is an estimated resource shortfall in the overall 2016/17 HIP of £182.4 million (as reported to Cabinet in February 2016). Whilst this position is likely to be moderated downwards during the year as expenditure phasing and resourcing forecasts are updated in light of better information, programme commitments may need to be managed such that they match more closely the available resources in year.
60. For reference the council's capital resources principally comprise the following:
 - a. Capital Receipts – government regulations cover the application of capital receipts arising from the sale of HRA land and buildings, RTB sales, voids and miscellaneous disposals. The programme already assumes a level of receipts, but government proposals (contained within the Housing and

Planning Bill) in relation to the sale of high value council voids to fund RSL RTB, will adversely impact the programme going forward. Detailed regulations are awaited following the Bill receiving Royal Assent which will assist in quantifying Southwark's contribution. Receipts arising from the sale of general fund land and buildings could also be applied to the HIP, but it is council policy to retain such receipts for general fund use as there is also an outstanding funding requirement in this area.

- b. Grant Aid – direct funding receivable from government and other agencies from time to time for specific programmes, to address defined policy objectives. Funding for this is generally conditional and time-limited, e.g. Decent Homes Backlog Funding from GLA.
- c. Section 106 agreements – payments received from developers in lieu of on-site affordable housing provision, subject to Planning Committee approval towards the provision of new homes in Southwark, including direct delivery. This is a potentially significant funding source but sums are irregular and activity is driven by market forces and planning policy and hence it is difficult to predict the quantum and profile of receipts with any degree of certainty going forward.
- d. Major Repairs Reserve/Depreciation – this represents the annual charge to the HRA to reflect the reduction in the notional value of the housing stock due to wear and tear. The amount is currently determined by reference to the major repairs allowance (MRA) methodology, but will change to a fully componentised basis from 2017/18, which is higher. The HRA budget continues to transition towards that higher value requirement.
- e. Revenue contributions - the council continues to prioritise the amount of revenue support it contributes to the HIP from the HRA, (as demonstrated by the additional allocation approved as part of the 2016/17 HRA budget). However, the government's recent policy of a 1% rent reduction for the next four years has severely impacted on the rental income projections predicted in the business plan (as determined under the 2014 Spending Review), thereby limiting the scope for further uplifts in revenue support over the medium-term. As it stands, even greater savings will need to be delivered year on year to preserve the existing contribution level, to ensure the HRA remains in balance as it statutorily required to do.
- f. Earmarked Reserves – revenue balances set aside for one-off or multi-year projects/schemes. They are reliant on the generation of revenue surpluses during the year, the scope for which is in marked decline.
- g. Borrowing – the extent to which local authorities can borrow is strictly regulated and prudential limits set on indebtedness. Notwithstanding the debt reduction received under the Self-financing settlement in 2012 and the progress made subsequently in paying down high coupon debt, the HRA currently has borrowing headroom of c.£176 million, of which c.£50 million is held as contingency against unexpected/catastrophic events and is effectively unusable for programme purposes. Whilst it is inevitable that new borrowing will be necessary, this should be prioritised against new homes delivery, rather than existing stock, thereby more closely matching the long-term funding liability against the expected asset life.

61. None of the above funding sources are entirely unencumbered and come with a range of restrictions/conditions and regulations as to their use/application, particularly where schemes require mixed funding, (for example, RTB new build receipts cannot be combined with grant aid on the same scheme).
62. Given recent government policy initiatives and changes to key HRA business planning assumptions, (all of which are detrimental to the council's financial position), there is no clear visibility around long-term resource planning which raises the critical issue of affordability. There remains scope to derive greater benefit from the council's own asset base and a need to explore options for levering-in external funding from government and through joint venture arrangements and alternative delivery models with the public/private sector. Without this, it will be necessary to review existing plans, to re-prioritise, re-phase and extend the programme lifecycle, and in extreme circumstances consider the possible curtailment of programmed activity.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Asset Management Strategy - Kitchens and Bathrooms Programme 2015/16	Southwark Council Housing and Modernisation Department PO Box 64529	Richard George 020 7525 3293
Housing Investment Programme – Confirmation of Five Year Programme and Update on the High Investment Need Estates Options Appraisal Project 18 October 2013	Southwark Council Housing and Modernisation Department PO Box 64529	Richard George 020 7525 3293
Housing Investment Programme and Revised Strategy 31 May 2011	Southwark Council Housing and Modernisation Department PO Box 64529	Richard George 020 7525 3293
Report and Appendix 1: Asset Management Strategy 20 October 2015	Southwark Council Finance and Governance Department PO Box 64529	Paula Thornton 020 7525 4395

APPENDICES

No.	Title
Appendix 1	Draft Asset Management Strategy consultation summary (Boards, forums, committees and public meetings)
Appendix 2	Draft Asset Management Strategy consultation summary (Online consultation and group email)
Appendix 3	Draft Asset Management Strategy consultation summary (Councillor submissions)
Appendix 4	Proposed changes to Asset Management Strategy
Appendix 5	Housing Asset Management Strategy (circulated separately)

AUDIT TRAIL

Cabinet Member	Councillor Richard Livingstone, Cabinet Member for Housing	
Lead Officer	Gerri Scott, Strategic Director Housing & Modernisation	
Report Author	David Markham, Director of Asset Management	
Version	Final	
Dated	3 March 2016	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments sought	Comments Included
Director of Law and Democracy	Yes	Yes
Strategic Director of Finance and Governance	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team		3 March 2016

Appendix 1 - Draft Asset Management Strategy consultation summary (Boards, forums, committees and public meetings)

The public consultation outlining the draft strategy took place with the Future Steering Board, Home Owners' Council, Tenants' Council, TMO committee and Area Housing Forums between October 2015 and January 2016. Correspondence was sent to Councillors, community and faith group leaders, community development colleagues, the voluntary sector, and interested individuals identified by Community Engagement. Residents were asked to consider the following five questions:

1. What do you think about the standard for homes that Southwark is proposing?
2. What do you think about the programmes to deliver that standard (initially over eight to ten years and then followed by a seven year cycle)?
3. Are there any other priorities that you consider more important than those contained within the strategy?
4. What other comments do you have about the strategy or where do you think it could be improved?
5. Do you have any specific comments about the programme affecting your estate or area?

This is the latest version; the final version will be handed out at the Cabinet on the night of the meeting.

Meeting	Question / Comment origin	Question / Comment	Response
Asset Management drop-in surgery	TRA representative (Arnold Estate)	Some estates are due to receive works earlier than ours and yet have received significant works more recently. Arnold are pencilled in late, and there is a feeling from the estate that this programme is more about aesthetics than condition.	Those earlier in the programme have had no works recently or have fallen/will be falling out of decency at that point. This programme prioritises properties in the worst condition first. Internal and External condition can lead to failure to meet decency standards. Door replacements are undertaken to increase security and reduce potential fire spread risk. Given the move forward and back of other schemes, Arnold Estate was able to be moved forward two years.
Asset Management drop-in surgery	TRA representative (Arnold Estate)	Given the scaffolding is going up for the Major Works planned – will it be possible to have railings painted?	The programme does not include painting of railings. If we spend money on this then it would mean less money for more serious issues across the borough.
Asset Management drop-in / surgery	TRA representative (Arnold Estate)	Will I be able to pick my door colour when this is replaced?	A series of votes are held first on each estate – firstly to determine if a majority want the same colour door across every property, or individual choices. If the same colour is chosen as a majority, a second vote determines the colour

Meeting	Question / Comment origin	Question / Comment	Response
			that the majority want and this is picked. If the individual choice is selected, there are a number of choices available and each resident picks from the selection available.
Asset Management drop-in / surgery	TRA representative (Arnold Estate)	Why do we have to wait until years 8-10 to receive new kitchens and bathrooms? Why weren't they replaced when you were on site last	The works to Arnold Estate pre-dated the rollout of the kitchens and bathrooms programme. When this estate is revisited, these will be renewed wherever eligibility criteria is met. Given the move forward and back of other schemes, Arnold Estate was able to be moved forward two years.
Aylesbury Area Housing Forum	Attendance notes	No comments received. Two meetings attended and cancelled due to inadequate attendance on the evening.	N/A
Bermondsey East Area Housing Forum	Forum wide comment	The forum agreed with the principles of the report.	N/A
Bermondsey West Area Housing Forum	Forum wide comment	The forum agreed with the principles of the report. The forum commented that 14-26 Dunton Road should be on the list of addresses for Setchell Estate. The Council should have planned maintenance work for regular drains cleaning, flat roofs maintenance and gutter cleaning yearly.	14-26 Dunton Road was added to the list of addresses for Setchell Estate. This was not part of the initial mail out due to an administrative error. The Council will be moving towards planned maintenance working with major works to ensure minimal disruption and reduced costs to the council and tenants/leaseholders in future.
Borough & Bankside Area Housing Forum	Forum wide comment	The forum agreed with the proposal on paper. The forum expressed concern over the length of the initial 8-10 year cycle.	The initial cycle of 8-10 years is to take into consideration the reduced rent income of 1% per year for the next 4 years, and take account of additional works e.g. kitchens and bathrooms programme. This will then move towards a usual seven year cycle upon conclusion of the initial cycle.
Borough & Bankside Area	Forum wide comment	The forum said that they would go back to relevant T&RAs and feedback.	The forum was provided with a link to the online consultation and dedicated email for this.

Meeting	Question / Comment origin	Question / Comment	Response
Housing Forum			
Borough & Bankside Area Housing Forum	Forum wide comment	The forum would like the option of choosing to have a bath or shower.	The council does not install showers except for occupational health reasons, as they are more expensive to maintain and more likely to leak.
Camberwell East Housing Forum	Forum wide comment	The forum noted the report.	N/A
Camberwell East Housing Forum	Forum representative (Elmington)	Forum representative was unhappy with 1-47 Caspian Street (odds) being in years 4-5 as many kitchens and bathrooms are originals, having not benefitted from any internal refurbishment programme (unlike other similar blocks on the Elmington Estate, e.g. Proctor House, Flatman House, Brisbane Street, and Langland House)	Properties are prioritised in accordance with their condition, and prioritises properties in the worst condition first. Those earlier in the programme have had no works recently or have fallen/will be falling out of decency at that point.
Camberwell East Housing Forum	Forum representative (Sceaux Gardens)	Concerning Sceaux Gardens, a representative noted that they had benefitted from considerable investment in recent years (although mainly to external parts of the block) and accepted their placement in years 4-5.	N/A
Camberwell West Area Housing Forum	Forum wide comment	The forum noted the report.	N/A
Camberwell West Area Housing Forum	Chair of Forum	Yes, this is a reasonable cycle for the longer term. The prioritisation seems reasonable.	N/A
Dulwich Area Housing Forum	Forum wide comment	The forum generally agreed with the prioritisation set out in the report	N/A
Dulwich Area Housing Forum	Forum wide comment	The forum thinks the standard is fine but misleading to tenants/residents. The principles in practice tend to change; with regards to kitchens and bathrooms the forum requested to have copies of the proposed correspondence that will be issued to residents.	The principles are outlined within this strategy and would only be changed if the asset management strategy is changed. There is actually too much correspondence to residents to copy to forum members.
Dulwich Area Housing Forum	Forum wide comment	The forum agreed with the delivery of the programme over a seven year cycle. However, they queried whether the delivery of this will be maintained over a seven year	The indicative draft programme provides a breakdown of where each property sits and their respective planned year up to the end of each cycle. In the lead-up to the initial 8-10 year

Meeting	Question / Comment origin	Question / Comment	Response
		cycle and how the council will guarantee the delivery of the programme.	cycle ending, future programmes will be provided for the following cycle in full. Analysis will be undertaken during the initial cycle to determine trends for repairs carried out to properties in order to, where feasible, align major works to reduce these costs in future cycles.
Dulwich Area Housing Forum	Forum representative	Question: would this mean leaseholders will receive service charge bills every seven years for major works?	Leaseholders will receive service charge bills for Major Works as/when their property is scheduled to undergo cyclical maintenance. However, the aim of the faster seven year cycle is to reduce repair costs, leading to savings for leaseholders in the long run.
Dulwich Area Housing Forum	Forum wide comment	The forum agreed with the proposals in principle as long as the programme is delivered as laid out in the strategy. Value for money and better consultation with residents were raised as main concerns regarding the proposed strategy and engaging with other affected tenants.	The proposed seven year cycle will achieve better value for money in the long term due to reducing repair costs with more efficient turnaround of planned works. Tenants and leaseholders will be engaged ahead of time, and the approach to street properties will see a respective area worked on each year, grouping works and providing better value for money this way.
Dulwich Area Housing Forum	Forum wide comment	The forum would like the council to ensure they are consulting and listening to residents. The forum would like a copy of the final report to Cabinet regarding the cyclical programme, before it is issued to Cabinet.	The council has a full consultation process agreed for Major Works, called Putting Residents First. A copy of the final report will be on the website for any resident to access.
Future Steering Board	Forum wide comment	The forum noted the report	N/A
Home Owners Council	Forum wide comment	HOC welcomes the report and wish to work with the Council to ensure the promises are delivered. HOC would like to receive reports during the lifetime of the programme.	HOC currently receives an annual report on the WDS programme and this report will continue in future.
Nunhead & Peckham Rye Area Housing Forum	Forum representative	If an estate has not received new kitchens / bathrooms in the last 20 years, will the whole estate be renewed?	Bathrooms over 30 years old and kitchens over 20 years old will be renewed regardless of condition. Historical records will be checked and surveys carried out to inform these works. Where tenants have renewed their own kitchen/bathroom and we can establish that the council has not carried out any kitchen/bathroom works over the respective periods, tenants

Meeting	Question / Comment origin	Question / Comment	Response
			will be given the option to have a new kitchen/bathroom. If facilities are newer than their respective age criteria and in a bad state of repair, they will not be renewed except where there are health and safety reasons.
Nunhead & Peckham Rye Area Housing Forum	Forum representative	Moving blocks forward or changing elements of the programme could mean it will lose the intended purpose as we will step outside of the plan. We should have a more holistic approach.	Elements of the programme occasionally have to be moved around and this consultation is to determine priorities with residents. There could also be a financial benefit from grouping works together – e.g. using scaffolding for windows and roofing if both are nearly due.
Nunhead & Peckham Rye Area Housing Forum	Forum wide comment	The forum agreed with the strategy.	N/A
Peckham Area Housing Forum	Forum representative	There is an inconsistency in the programme, false promises, representative stated they are confused with regards to what works will be carried and different works will not be carried out.	The council officer present clarified what works would be carried out on the night, as set out in the report. Cllr Livingstone stated that the consultation is an opportunity to look at this while it is flexible.
Peckham Area Housing Forum	Forum representative	Concerns about negative value assets. Certain properties are beyond economical repair and should be auctioned off to put money into current stock.	Cllr Livingstone clarified that rental income is enough to maintain repairs service across the borough.
Peckham Area Housing Forum	Forum representative	Question asked about Housing Planning Bill that will go to Parliament in 2018. Will works that are meant to commence in 2018 be hindered or stopped by this new bill?	Cllr Livingstone gave assurance that works will go as to plan. Only thing that is different is that the programme has been extended from 5 to 8 years in order to carry out all the Major Works.
Peckham Area Housing Forum	Forum representative	Will all the Major works be carried out due to budget as Southwark has decreased rent by 1% for 4 years?	Cllr Livingstone stated all works will be carried out as they have increased the time limit for the Major Works, i.e. instead of 5 years will do it in 8 years.
Rotherhithe Area Housing Forum	Attendance notes	No forum wide comments/agreement.	N/A
Tenants Council	Forum wide comment	The Tenants Council noted the report and asked for feedback in a years time.	Feedback will be provided to Tenants Council and Home Owners Council at the end of the first year of the programme.
Tenants	Forum	50,000 units is a huge challenge – and will need a robust	The Council has a dedicated team of staff carrying out

Meeting	Question / Comment origin	Question / Comment	Response
Management Organisation (TMO) Committee	representative	stock condition survey process. Generally these are based on cloning a large proportion and making assumptions off of just 10% surveys; what percentage are Southwark undertaking?	surveys on top of the original 10% carried out by Savills, and has collected a lot of information from properties as part of the Warm, Dry, Safe programmes.
Tenants Management Organisation (TMO) Committee	Forum representative (Browning)	Stack pipes and chemical erosion/corrosion need to be looked at – risers etc, needs replacing of complete components (wholesale renewal as opposed to piecemeal). This should be Major Works, surely?	TMOs are responsible for day to repairs to their area of remit. If there are specific, larger issues, they should advise of this as part of the asset management consultation.
Tenants Management Organisation (TMO) Committee	Forum representative	Is external landscaping included in the new programmes?	No, but this will be reviewed as the programme progresses.
Tenants Management Organisation (TMO) Committee	Forum wide comment	The forum noted the report, and agreed with the general principles.	N/A
Walworth East Area Housing Forum	Forum wide comment	Report well received; approved of kitchens and bathrooms and external decorative works inclusion. Concerns were expressed over money running out for kitchens and bathrooms for future years of programme.	The programme is currently fully funded, subject to any changes in housing finance.
Walworth West Area Housing Forum	Forum wide comment	Report well received; approved of kitchens and bathrooms and external decorative works inclusion. Concerns were expressed over money running out for kitchens and bathrooms for future years of programme.	The programme is currently fully funded, subject to any changes in housing finance.

Appendix 2 - Draft Asset Management Strategy consultation summary (Online consultation and group email)

Origin of comment/question	Comment/question	Response
Online consultation	Where can we access the 'proposed standard for homes' other than in the Appendices in the draft of the new programme that is currently up on your consultation portal? There one can only see when the next major repairs are planned but not to which standards and what is being improved.	The proposed standard is outlined within the main report, available on the main page of the consultation under relevant documentation.
Online consultation	These proposals are to long in terms of properties in the borough needed for change. My Situation is that I have been living in my place 25 years now.	No contact details or information about location was provided.
Online consultation	It can only be a good thing to improve the standard and quality of social housing. But there is a sense that there is a movement towards redeveloping the estates that isn't really being acknowledged or discussed. How does the Savills report that evaluates the Boroughs properties both socially and financially.	Any proposed works on an estate will be carried out in full consultation with residents affected. The Savills report provides a method to evaluate the efficiencies of investment.
Online consultation	Having a cyclical, more incremental plan seems like a good idea.	N/A
Online consultation	Again, very little information is given on why some properties are due to be improved 8-10 years down the line and others in year 2. Looking at the blocks and estates this schedule does not seem to reflect the urgency as to the repairs needed to be carried out. So how and why has the council reached these conclusions and arrived at this schedule?	The programme is basically a worst-first programme, meaning that properties are prioritised in accordance with their condition. Those properties in years 8-10 of the programme are generally those that have had major works recently carried out.
Online consultation	Need more attention right away. To wait 8 to 10 years is way too long	The programme is basically a worst-first programme, meaning that properties are prioritised in accordance with their condition. 8-10 years is the duration of the first cycle, and the council will be moving to a seven year cycle in future.
Online consultation	It sounds like a good idea. But again it sounds as though there is going to be an element that this is used as a tool to say that certain elements of the housing need to be replaced. If this is the case then this is fine but it should be an open discussion. Along with assurances that existing residents will be able to remain if they wish.	Any proposed works on an estate will be carried out after full consultation with residents affected.
Online consultation	If major works are done to a good standard and have a contractual guarantee. All repair works should be done under the guarantee and leaseholders should not have to pay for the work to be done again within ten years	Guarantees for works will be obtained on new roofs, windows and doors, as well as some concrete works.
Online	Our estate could benefit from new double glazed windows as ours are over 15 years old.	No contact details or information about location was

Origin of comment/question	Comment/question	Response
consultation		provided, but new windows will be installed wherever appropriate.
Online consultation	Please provide a link to where we can access the strategy.	The strategy was outlined within the main report, available on the main page of the consultation under relevant documentation. No contact details were provided.
Online consultation	YES my place where i live for the past twenty five years needs some serious looking at. By rights i even think after such a long time i'm wondering about my rights if a person can live in a social house after so long and it not been attended to. It seems not right. there's no way you could put a new tenant in there like that. Twenty five in it needs priority ATTENTION..	No contact details or information about location was provided.
Online consultation	(Are there any other priorities that you consider more important than those contained within the strategy) Building homes for key workers	This is being considered as part of the new homes strategy.
Online consultation	(Are there any other priorities that you consider more important than those contained within the strategy) Short term tenancies so that residents property is well maintained. Checks and evictions for ASBO. Checks on works that are recalls and not to pay for them twice.	Anti-social behaviour is not accepted by the council and can lead to eviction. The council does not pay for rectification works.
Online consultation (Hoyland Close)	The plan seems to emphasise on Warm Dry Safe yet, the appendix only seem to mention the on kitchen upgrade programme. What about flat roofs that need repairs/upgrade (e.g. X-X Hoyland Close and probably X-XX Hoyland close)?	Flat roofs will be repaired or renewed as necessary as part of this programme.
Online consultation	(Are there any other priorities that you consider more important than those contained within the strategy) ensure those in need are housed, homes are properly insulated re sound intrusion, homes are of a decent size	There is a council waiting list that allocates properties in accordance with need. There is no specific programme to deal with noise issues although the installation of double glazing can greatly reduce noise. All new homes being built are to a reasonable size standard.
Online consultation (Quentin House)	The quality of the recent contractors at Quentin House was poor and in the words of the consultant overseeing it the work was "sloppy". Contractors have so many jobs on they don't care about the finishing touches e.g. When clearing up, painting and taking care when painting, in effect leaving some areas looking worse than they did before.	This comment was referring to the condition of previous external decorations, and not the work carried out during this scheme or the standard to which previous works were carried out.

Origin of comment/question	Comment/question	Response
	<p>Also the Putting Residents First was not followed, either in practise or in spirit. The Project Manager found it a huge irritation whenever I mentioned it. If you are going to have a policy it needs to be followed and staff need to be trained to follow it.</p> <p>Council staff - in order to deliver a strategy well you need excellent staff to follow it through. The council should be committed to ensuring they have high quality staff and are effectively monitoring the performance of staff including getting feedback from resident representatives about their performance.</p>	<p>Refurbishment of external areas was not covered under this contract due to the omission of external decorative works for the Warm, Dry, and Safe programmes.</p> <p>Standard S20 consultation was carried out for this scheme, with two drop-in meetings organised, meet the contractor meetings and leaseholder consultation meetings. Due to the geographic proximity of the two estates involved in this scheme, two resident project groups were organised for this scheme, with regular attendance at each.</p> <p>Regarding Council staff; the council has a full team of experienced and trained staff to carry out delivery of the asset management strategy. Resident satisfaction surveys are carried out at the end of every scheme, and there is also a Major Works Core Group chaired by the lead Cabinet member for Housing, with resident representation.</p>
Online consultation	<p>I think there should be some way of tapping into local resident knowledge about how elements of the estate could be improved. I think there is a lot of regular maintenance work that if taken out in regular thorough way would negate need for major works at a later date.</p> <p>Also there could be some contact for freeholders about how their properties fit into the programme and some way that they can actively engage in the maintenance of those elements of their properties that are linked to council properties. i.e. flat roofs.</p>	Residents are fully consulted on all schemes in line with the Putting Residents First consultation process. Their input into the design of works is always considered. This includes any freeholders affected by the works.
Online consultation	We are still waiting for 2005 cyclical maintenance, just had a quick visible difference touch up. this month	All properties are covered within the first cycle of the asset management strategy.
Online consultation	We have so little information that we are in no position to comment. We know our block/house is part of the year 8-10 in the cycle proposed but don't know why, what will	No contact details or information about location was provided.

Origin of comment/question	Comment/question	Response
	be carried out, and what has been carried out in the past. Please provide more details on how the programme will affect our property.	
Online consultation (Quentin House)	The decorative state of the interior stairwells at Quentin House is quite poor, and waiting 8-10 years to do this will mean by then we are living in a building which looks good from the street (as the exterior has just been painted) but the stairwells are shabby. The consultant who reported on the block listing all the work needing done identified the stairwells as needing done. Would it be possible for the TRA to get feedback on this?	The internal stairwells of estates are classified as external decorations and were not part of the Warm, Dry and Safe programme which concludes this year. Quentin House is not regarded as a block in high priority need of works within the current proposed programme. The exterior balcony work referred to in this comment concerning Quentin House was classified as a “protective coating following concrete repairs work”, which does not fall under external decorations.
Online consultation	I would like more information about the programme relates to the properties in our estate. I would also like the information to be more accessible. I have only been able to find the draft report following endless emails and reminders to the major works department. Indeed a many of the reports on the Southwark website seem buried away in the website and forming part of the council committees. I think there should be a list of reports that have been commissioned by the council and what the aims of these commissions/reports are. And how these reports relate to one another.	All relevant documentation, including the draft strategy and programme, are available on the consultation page where the comment was made, as well as on the Southwark website, and can be found easily.
Online consultation	Would like the paving on my estate replaced as they are in bad state.	The asset management strategy does not cover paving works. No contact details or information about location was provided.
Online consultation	Cleaner / secure bin areas. Some corners of the estate are in a shocking state because of fly tipping and/or overflowing bins.	If bin areas are part of a block, then they will be included in the asset management works.
Email submission (Tissington Court)	I refer to your planned works for Estates and Blocks, which states Tissington Court is scheduled for the 6-7 year program. Apart from the kitchens which came under the recent program Tissington Court still has the existing kitchens/bathrooms from when they were built in 1069 making them already 46 years old, therefore, if it is another 6/7 years before they are replaced that makes them 53/54 years old which is considerably more than the 20/30 year plan. Could this please be looked into.	The intention is that by the end of the first cycle of works, all tenants will have a quality kitchen and bathroom. With the resources available, some residents will be in the latter years of the first cycle.

Origin of comment/question	Comment/question	Response
<p>Email submission</p> <p>(Medina House)</p>	<p>I am writing to express the concerns of residents in Medina House, Rye Hill Park, Peckham, after a bout of break-ins and burglaries in our block. The block has insufficient security installations and crime deterrents which leads criminals to target the block. The responsibility of these failures are with Southwark Council, who I believe are failing to deliver a duty of care to the tenants of Medina House. We are continually becoming the victims of crime and no action is being taken.</p> <p>The building does not have CCTV and is not alarmed for break-ins. The secure entry door is not secure and entry can be gained by applying minimal force. Windows across the block are dated, with beading on the outside, which allows the glass panel to be removed from outside our properties and entry to be gained. Locks and doors are also very old and entry can be gained to private flats with only a plastic tool. As part of your programme to provide Warm, Dry and Safe homes across the area, I feel that it is absolutely necessary to renew windows, doors, and security measures in Medina House. Our windows are decades old with obsolete security features. I will remind you of your commitment below;</p> <p>"As part of our programme to make every home in the borough Warm, Dry and Safe by 2016, it is Southwark Council policy to use unplasticized poly-vinyl chloride (hereon referred to as UPVC) windows extensively across the borough on council estates where the buildings involved are not listed buildings or the subject of an existing conservation order."</p> <p>Given that no major works are planned for the next 12 months on Medina House, as a leaseholder, I have written to Southwark Council to request permission to change windows and doors of my property at my own cost via the method as instructed on their website. I had no response. I was then told the information on the website is incorrect. I made an official complaint and then contacted the council about permission to change windows and doors again, and still have not received a response. During the period of waiting for a response from the council my home was broken into via the window, and my front door was damaged. My home is not secure and I have no rights under my lease to secure it with new windows and doors, even if they are the same as the originals.</p>	<p>In 2014, Medina House was subject to a specific survey and resulting report on the condition of its windows by independent chartered surveyors/consultants. Surveys completed to the block as a whole did not warrant the inclusion of window renewals as the current installations were deemed as meeting the required standard for decency. The windows at Medina House were replaced with double-glazing in the early 1990s and have an estimated 5-10 year lifespan remaining – and they are included in years 8-10 of the initial cycle of works where these may be replaced with UPVC, subject to planning requirements at the time.</p> <p>The criteria for changing doors are based on condition and again, surveys in the lead up to the electrical programme currently taking place on this block determined that replacement of the doors was not necessary at this point.</p> <p>With regards to the statement that no major works are planned for 12 months on Medina House - Major Works are currently carrying out an electrical installation upgrade programme to this estate, where focus is concentrated on upgrades to the landlord's electrical installation. This includes the installation of heat and smoke detectors. You will be contacted by the site team about having heat and smoke detectors installed in your property at no extra cost to yourself, if you have not been so already.</p>

Origin of comment/question	Comment/question	Response
	<p>These elements of the property belong to Southwark Council, the freehold of the block. The council has temporarily secured the window with a latch.</p> <p>A survey I had conducted by a Chartered surveyor prior to the break in stated that: "Ideally, the windows would be renewed with more modern and better insulated units." "The front door was noted to be damaged and requires some repair or replacement." "The doors and windows are in powder coated aluminium with double glazed units. They are of some age and do show wear & tear. Some maintenance would be beneficial to handle etc." "The windows appear to be poorly draught sealed, and particularly in the front bedroom we noted that they were taped over the surrounds in an attempt to stop the draughts."</p> <p>One way or another, something needs to be done to secure our properties. We are made up of a community of Leaseholders and Council Tenants, please help us to protect our homes.</p>	
Online consultation	<p>Regarding new kitchens and bathrooms, how are these going to be assessed?</p> <p>I have lived in my house since September 2005 and am an OAP. The kitchen and bathroom could both do with being replaced but I don't have any idea of how to get both rooms assessed.</p> <p>The programme of new bathrooms or kitchens is not very clear when it comes to who will get these. Not enough information is available and although having lived in my house since 2005, the kitchen and bathroom both need attention. I have decorated the kitchen but the units are at the end of their sell by date. I have never decorated my bathroom since moving in and all the paint is peeling off the walls. I also need advice on what I should do regarding this.</p> <p>Please would someone advise me.</p>	<p>Kitchens determined to be over 20 years old and bathrooms over 30 years old will be replaced with a modern quality kitchen and bathroom. Southwark have chosen to use age as the criterion for eligibility due to the fact it is a more objective and fair measurement than condition which is subjective. Kitchens and bathrooms will only be replaced due to their condition if they are assessed as a health and safety risk.</p> <p>All properties will be surveyed in the leadup to works starting on site, and the age will be determined at this point.</p> <p>Southwark residents are advised to contact the dedicated call centre to report repairs on 0800 952 4444.</p>

Origin of comment/question	Comment/question	Response
Online consultation	<p>Only kitchens and bathrooms fitted within the last 15 years will be replaced so this does not meet ensuring every home has a quality kitchen and bathroom as some of these will still be in need of replacement and this does not mean lack of care by tenants</p>	<p>Kitchens determined to be over 20 years old and bathrooms over 30 years old will be replaced with a modern quality kitchen and bathroom. Southwark have chosen to use age as the criterion for eligibility due to the fact it is a more objective and fair measurement than condition which is subjective. Kitchens and bathrooms will only be replaced due to their condition if they are assessed as a health and safety risk.</p>
Online consultation	<p>It sounds like a sensible cycle as long as repairs are done to a good quality standard. Our estate is having major works currently, after nearly 10 years since the last program; with neighbours saying that the last major works were done to a very poor quality. In this plan, the estate would be done in 8-10 years.</p> <p>How have Southwark improved their major works quality now in the WDS program to ensure once it's done we can go 10 years without building up problems that would have been easier and cheaper to address before that?</p>	<p>Every works contract has a surveyor and architect to supervise the works, along with a Clerk of Works to ensure the works are delivered to a high standard.</p>
Online consultation	<p>The report talks about reactive repairs vs major works - and works being identified as needed in some cases by expensive repairs having had to be done. Is there also a factor of ongoing maintenance and pro-active work that sits between the two extremes?</p>	<p>Analysis will be undertaken during the initial cycle to determine trends for repairs carried out to properties in order to, where feasible, align major works to reduce these costs in future cycles.</p>
Online consultation	<p>The strategy document is very financially focused and describes residents as customers in several points, which is always worrying in a government organisation with a duty of care to the people.</p> <p>As a leaseholder, the current major works were sprung on us with little warning and a very large cost attached. I would like to see this significantly improved in the future; and the move to a planned cycle should be a way for the council to achieve this. Can you include in the strategy a commitment to early and regular communication to all involved - so we can plan saving for works years in advance based on sensible information from the council.</p>	<p>The Warm, Dry and Safe programmes were agreed a number of years ago, and all residents have been / are being consulted as part of the "Putting Residents First" process.</p>
Online	<p>I'm a leaseholder in the Pasley Estate; the lack of detail on estate heating work, after</p>	<p>A report on the Heating review will be going to</p>

Origin of comment/question	Comment/question	Response
consultation (Pasley Estate)	some worrying comments on 'end of life expectancy' and dramatic rising costs is a major concern. Can you share information on the progress of the heating review?	Cabinet concurrently with the amended draft Asset Management Strategy in March. NOTE This review is not yet complete and therefore will be reported to Cabinet at a later date
Online consultation	A further priority: work on developing a programme to allow leaseholders at least some opportunity to undertake their own improvements and/or repairs on their properties, within requirements set by the Council (for example on quality, safety and defect liability). The Councillor who attended the Homeowners Council seminar in November 2015 stated that allowing leaseholders to undertake works privately was being considered by Southwark Council but this is not referred to at all in this ten year strategy.	The Council has a duty under the terms of every lease to carry out certain works. Leaseholders can apply individually for permission to carry out specific elements of work themselves.
Online consultation (Brawne House, Brandon Estate)	I am a resident at Flat XX Brawne House, Brandon Estate. Last year contractors A&E Elkins carried out some work at my home which included electrical and changing of light shade in the kitchen. I am aware that other residents received new kitchens and bathrooms. After speaking to the contractors I was told that pictures were taken of the property which I did not witness. I would like to when kitchen and bathroom updating will be done for myself as Elkins have been so difficult to work with. I have been told they will double check and see if any works were missed in my property. If I am not eligible for a new kitchen and bathroom please can you advise me as to when these works were last completed here.	Works to this property were carried out under the previous Warm, Dry and Safe programmes. Kitchen and bathroom replacements were only carried out to this estate where health and safety risks were identified. The next cycle of works will include kitchen and bathroom renewals, where eligibility criteria is met. Your property will be surveyed again in the lead up to the next scheme of major works for your estate.

Appendix 3 - Draft Asset Management Strategy consultation summary (Councillor submissions)

Origin	Question / Comment	Response
Email (Arnold Estate)	Both Cllr Livingstone and Cllr Wingfield sat in TRA meetings saying they understood the sense of getting kitchens and bathrooms done on estate while other works are on. They assured us that the cabinet report would ensure the estate had new kitchens and bathrooms and yet we see this won't be for 8-10 years. This is unacceptable given the current conditions. Please could they explain why the estate has been put at the end of the programme, even though other works are currently taking place right now?	<p>Response from Cllr Livingstone 10 November</p> <p>Given that you have cited my attendance at the TRA meeting, you will recall that I explained there that there has to be a starting point for the kitchens and bathrooms programme and we have brought this forward to April 2015 (rather than April 2016 as originally envisaged). However, the work at the Arnold started before that and so we are not able to bring this within the scope of the work. We are already planning to spend significantly more money on housing investment works during 2015/16 than the council has ever spent before in a year: £303.9m, compared to around £100m most years. This means that we do not have the room for manoeuvre to add additional works at Arnold in for the current year.</p> <p>You will also be aware from the report considered by last month's cabinet, and from the article in this week's Southwark News, of the impact of the Chancellor's post-election decision to impose rent reductions on councils and housing associations without compensation. Over four years, the HRA will lose a net £62m and this has unfortunately meant that we are having to slow the proposed major works programme from that originally envisaged.</p> <p>Given the move forward and back of other schemes, Arnold Estate was able to be moved forward two years.</p>
Dulwich Area Housing Forum	Cllr queried whether the £2 billion announced by central government will impact on the proposed programme.	The programme is currently fully funded, subject to any changes in housing finance.
Dulwich Area Housing Forum	Cllr Query regarding Street Properties, why no strategy to replace with UPVc as would be more cost effective rather than decorating and repairing continually	Southwark's policy is to use UPVc for full replacements where possible, with the exception of listed buildings and those subject to a conservation order. There is a statement on our website at http://www.southwark.gov.uk/info/200510/major_works/3626

Origin	Question / Comment	Response
Online Consultation	<p>Warm, Dry and Safe is not the standard Liberal Democrats would have chosen as the starting point for the new strategy. The proposed kitchen and bathroom programme, for example, is essentially just a catch-up exercise. Works to improve or replace kitchens and bathrooms was already happening under the previous Decent Homes Plus programme in Southwark. This work stopped in 2010, however, and for the last five years tenants have been left with non-decent homes in some instances and still face waits of years under the proposed strategy as a result.</p> <p>As a bare minimum though, the standard appears to be in line with tenants' expectations of a basic guaranteed level of cyclical maintenance on a regular basis. This has been missing in some parts of the borough for years.</p> <p>It is also good that the Council is focusing finally on maintaining its existing stock. Over the past few years, the impression has been created that only the delivery of new council homes was important to the administration whereas the vast majority of Southwark tenants will never move to a new council home and therefore deserve the best possible living standards in existing stock.</p> <p>We have a real concern though about blocks scheduled for regeneration being neglected in the meantime and tenants missing out on any cyclical or day-to-day maintenance there. Recent experience on the Aylesbury Estate has highlighted how those residents remaining while waiting to be decanted are suffering extreme problems with lift repairs, communal lighting and repairs to their homes because cyclical maintenance has stopped. This is not acceptable and needs to be factored into the strategy.</p>	<p>/upvc windows concerning this.</p> <p>The WDS programme has brought the vast majority of properties up to the Government set Decent Homes standard and ensured that the previous low levels of properties meeting the Decent Homes standard no longer exists and the proposed programme will ensure that these high levels of decency remain.</p> <p>The Council has always been committed to ensuring its existing stock is brought up and maintained at a quality level, combined with a substantial new build programme.</p> <p>The Aylesbury Estate has had significant resources allocated to it, with substantial investment in lifts, heating and communal electrics and it is also included in the WDS programme and repairs and maintenance will continue to be carried out for all remaining residents.</p>
Online Consultation	<p>Southwark Liberal Democrats do not believe the proposed programme timescales to be acceptable. With regard to the specific promise on kitchens and bathrooms, promises were made to all residents in the borough that they would have new kitchens and bathrooms by 2018. Now the timetable suggests tenants in some blocks and estates face waits of up to</p>	<p>The programme has been set in line with available and projected financial resources as result of the Governments decision to reduce rents for four years and it's proposals to force Councils to sell void properties and not be able to reinvest the receipts in future. The 8-10 year proposal is purely for the first cycle of the</p>

Origin	Question / Comment	Response
	<p>ten years for their new kitchens and bathrooms.</p> <p>It is not clear how the overall 8-10 year timescale has been decided on and extended apart from external funding pressures and it is unclear what criteria have been used to determine where individual blocks and estates will fall within the programme. There is also confusion caused by works taking place to replace some kitchens and bathrooms as part of the final year of the Warm, Dry and Safe programme and it is not clear how these locations were selected.</p> <p>It is also worrying that the Council will only give an indicative timeline and that so far only year 1 of the programme is guaranteed due to funding levels. This suggests that timescales could slip again and this would not be fair to tenants in those estates/blocks affected.</p> <p>It is also unclear what the future holds for those blocks and estates identified as costing the Council too much to maintain in the Savills report and highlighted in the Options Appraisals section of the strategy. The Council owes it to tenants in those blocks to inform them as soon as possible if they are in such a block or estate, what options the Council is considering and involve them in any decision from the start rather than presenting them with a done deal.</p>	<p>strategy and it is then intended to move to a seven year cycle.</p> <p>Properties are generally being done on a 'worst first' basis to ensure that high levels of decency are maintained.</p> <p>The programme has been devised based on likely financial projections. These could of course change if the Government makes further cuts in resources for housing to councils.</p> <p>The Council is fully committed to consulting with all residents on options for works as clearly set out in its consultation 'Charter of Principles'.</p>
Online Consultation	<p>Liberal Democrat councillors have identified three areas which raise concerns as missing from the draft strategy:</p> <ul style="list-style-type: none"> • Damp – this is an issue in many blocks or estates in the borough yet there is no specific mention of how this will be treated and tackled as part of the asset management strategy and cyclical maintenance programme. • Quality-related issues – councillors have already identified issues around improvement works to windows for street properties. This raises wider concerns about quality assurance issues on the whole programme and how these will be monitored. 	<p>Damp will be dealt with as part of the programme as appropriate in order to ensure properties meet the Government set Decent Homes standard.</p> <p>The Council will continue to ensure that all windows are wind and weather tight and if they are at the end of their life, double glazing will be installed. Under the terms of the Council leases however, the Council cannot just install new windows as an improvement.</p> <p>The current WDS programme has ensured that all street properties meet the Decent Homes standard. The future</p>

Origin	Question / Comment	Response
	<ul style="list-style-type: none"> • Street properties – the draft strategy is proposing that cyclical maintenance is carried out by community council area. There is a question mark as to whether this is the fairest way of carrying out works rather than on an age-or needs-basis. 	<p>proposals for an area based approach for street properties are to ensure value for money and that scarce resources can be used most effectively for all residents. There have been no adverse comments from street property residents to the proposals.</p>
Online Consultation	<p>Residents on the Arnold Estate had two cabinet members visit their TRA meetings and make promise so their distress at being put down for 8-10 years is genuine and understandable. These tenants work hard and pay rent and the very least they deserve is a decent kitchen and bathroom. Some bathrooms in Cherry Gardens Estate, such as West Lane, don't even have sinks but are down for 6-10 years. Many residents of the Keetons' Estate still have their original kitchens but also now face waits of 8-10 years. This is unacceptable and we would urge you to move these estates forward.</p> <p>There is also some inconsistency within estates. For example, the Rouel Road estate will receive new kitchens and bathrooms in years 8-10. However, some properties have already had new kitchens installed, but not bathrooms. Similarly in Robert Jones House in Grange Ward, some residents had new kitchens installed a couple of years ago and the list states that this block is due new kitchens in year 2. Residents need clarity regarding who will receive new kitchens and bathrooms on the estate and who will not.</p>	<p>Moving any estates forward in the programme, would mean other estates moving backwards and the current draft programme is felt to be reasonable and appropriate to the overall needs of residents. Given the move forward and back of other schemes, Arnold Estate was able to be moved forward two years.</p> <p>The programme is very clear. When an estate is in the programme then all kitchens and bathrooms will be renewed as appropriate.</p>
Online Consultation	<p>We welcome the Council adopting a clear plan, but do question how the timeline was decided. Despite a clear expectation among tenants that they would receive a 'quality kitchen and bathroom' by 2018, there is no justification given for the delayed implementation of this programme and waits of up to ten years for works. It is simply unacceptable that an administration which promised a quality kitchen and bathroom for every tenant in 2014 is now making many residents wait until 2025 for their improvements.</p>	<p>The programme has been set within the financial resources available.</p>

Appendix 4 - Proposed changes to Asset Management Strategy

Scheme	Properties affected	Current Year	Change proposed	Reasoning
Brookstone Court	1-65 Brookstone Court, Peckham Rye	2016/17	Move back to 2020/21	Works recently completed and identified as less immediate priority.
Juniper House	1-75 Juniper House, Pomeroy Street	2017/18	Move forward to 2016/17	Received a number of enquiries with regards to works, and funding available from moving Brookstone Court to 2020/21.
Dovedale Rd	3A/3B Dovedale Road	2016/17	Move to Street properties	Identified as street properties.
Copeland Road	Houses – COPELAND ROAD	2016/17	Move to Street properties	Identified as street properties.
Penrose House	106-116 Penrose Street, Penrose Street	2023-25	Move kitchen and bathrooms and internal pipework forward to 2016/17	Due to the number of legal cases with the problems of internal pipework, we will bring forward the works for kitchen and bathroom and internal pipework to the 2016/17 programme. This would be for these works only and other works would remain in 2023-25 for main QHIP.
1-11 Pytchley Rd	1-11 Pytchley Road	2023-25	Remove from programme	Identified for disposal in 2011.
Webber Row Estate	1-10 Dauncy House, Webber Row 1-10 Delarch House, Webber Row 1-12 Mawdley House, Webber Row 11-20 Dauncy House, Webber Row 11-20 Delarch House, Webber Row 1-15 Algar House, Webber Row 1-15 Overy House, Webber Row 13-20 Mawdley House, Webber Row 16-25 Algar House, Webber Row 16-25 Overy House, Webber Row	2019-21	Move forward to 2017/18	Urgent roof issues.
Arnold Estate	142-179 Arnold Estate; 180-220 Arnold Estate; 1A, 1-30 Arnold Estate; 221-249	2023-25	Move forward to 2019-21	Received a number of enquiries with regards to works. Replaces Webber Row Estate works

Scheme	Properties affected	Current Year	Change proposed	Reasoning
	Arnold Estate; 249-262 Arnold Estate; 263-276 Arnold Estate; 277-295 Arnold Estate; 296-301 Arnold Estate; 302-319 Arnold Estate; 31-65 Arnold Estate; 66-80 Arnold Estate; 81-141 Arnold Estate;			originally programmed for 2019-21.
Acorn Estate	Ashdene; Beechdene; Hollydene; Meeting House Lane; Oakdene; Pinedene; Willowdene; Carlton Grove	2018/19	Move forward QHIP to 2017/18	Enable cost efficiencies and minimise disruption by delivering QHIP works alongside roofing work.
Hampton House	Hampton House, 1-8 Walworth Road	2016/17	Move back to 2023-25	Works recently completed and identified as less immediate priority.
Rye Hill Park	122-208 Rye Hill Park, Peckham Rye	2021-23	Move forward to 2018/19	Potential structural issues; identified as more immediate priority
District Heating - Leathermarket (various)	102-130 Great Dover Street 1-9 Cardinal Bourne Street 37-67 Bartholomew Street 1-4 Burge Street	2016/17	Remove from District Heating programme – all from the Cardinal Bourne boiler House – total savings to 2016/17 programme - £684k	Determined to be Leathermarket JMB responsibility.
District Heating – Leontine replacement underground mains	1-99 Leontine Close	2018/2019	Move forward replacement underground mains work to 2016/17 to value of £194k from 2018/19	Leontine underground mains work has been assessed as an urgent priority. Uses £194k saved via Leathermarket omissions in 2016/17 (above).
District Heating - Brandon plant room upgrades	Morton House 1-39; Napier House 1-36 Bateman House 1-68; Brawne House 1-68; Cornish House 1-68; Cruden House 1-68; Prescott House 1-68; Walters House 1-68	Not previously in 8-10 year programme for district heating	Move forward plant room upgrades (x8) to 2016/17 programme under Brandon to value of £490k	Brandon plant room upgrades have been assessed as an urgent priority. Uses £490k saved via Leathermarket omissions in 2016/17 (above).
District Heating – Soane House	Soane House 1-30 Soane House 31-35	2020/21	Remove from District Heating Programme	Properties in Aylesbury regeneration scheme.