

# HRA – DRAFT Interim Asset Management Strategy

2021-22

Foreword from Councillor Adams.

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# 1. Introduction

This Gateshead Council Asset Management Strategy sets out how Gateshead Council (the Council) will manage, maintain, invest in, and review our homes and other associated assets.

We have recently reviewed how our homes and assets are managed and are in the process of consolidating housing services back within the Council. This will end The Gateshead Housing Company's management of our assets. The realignment of these services will support our wider plans to transform Gateshead and will deliver efficiencies and improvements, while providing services that best meet the need of our tenants and the communities we support.

The Council owns and manages almost 19,000 homes valued at £733.4m; in addition, we have non-domestic assets valued at further £12.2m. The physical and financial performance of these assets underpins the viability of the Housing Revenue Account (HRA). The quality of our assets and how they perform also directly impacts on our customers and the communities that they are part of. Good quality and well-maintained homes can significantly impact upon the health, wellbeing and quality of life of our residents.

Key drivers for the consolidation of services within the Council are to generate efficiencies in the delivery of housing services and to ultimately move our unsustainable HRA to a sustainable position where our assets generate the income and value necessary to fund the costs of their management and ongoing maintenance and investment. In the longer term we aim to align our asset management with our wider plans for housing, community sustainability and growth for the borough.

However we are not yet in a position to fully understand the investment that we need to make in all of our assets to ensure they are sustainable and can be maintained and improved to meet the anticipated legal and regulatory obligations that we will need to meet in the medium term. We also have further work to do, as we consolidate our housing services, to determine how we will ensure the HRA is not in deficit, and therefore how we can ensure that the investment decisions we know we will need to make can be funded. In addition, there is the prospect of significant changes in required property standards, in terms of condition, safety, and environmental sustainability, and we need to understand what this may mean for our assets.

As we develop our approach, we plan to look beyond just the physical condition of our properties to identify actions that could be taken to better use our land, commercial units or other non-domestic assets. We recognise that we might have to make future decisions on long term sustainability, and consider whether to continue to invest in maintaining existing assets or whether alternative options should be considered in order to provide homes and places to best meet the needs existing and future customers. It is therefore important that we take time to gather the necessary data and intelligence on all areas of asset performance and their investment requirements so that we can make evidenced decisions and plans.

As a result, this strategy is therefore an interim one which will guide our approach over the next 12 months so that we can protect our assets and tenants, and ensure that the investment we will make over that period is well informed and will not be at risk. The strategy will also guide and direct the gathering of additional intelligence and understanding of asset performance to enable us to develop our longer term plans.

## 2. HRA Business Plan Sustainability

We undertook a detailed options appraisal of our housing delivery in early 2020, which directly informed our decision to close The Gateshead Housing Company and return the management of our assets back to the Council. The options appraisal was undertaken as we recognised our HRA was unsustainable and was forecast to go into deficit within a number of years.

At the time of undertaking the evaluation, the HRA Business Plan was not up to date, and there was no costed evidenced 30 year investment plan setting out the requirements for renewal of components during that period. Since then we have built a fit for purpose HRA Business Plan, and have done extensive work to understand our costs and investment requirements, although there is still more to do to improve and build upon this as we refine our data and build our knowledge and intelligence on our assets.

The evaluation work in early 2020 identified a number of key issues which were impacting on the HRA, including:

- Issues with stock sustainability, as some properties are less popular and/or require significant investment over the life of the business plan. We have started to develop our understanding of this, but we have more to do to, including an exploration of the underlying drivers and the policy or investment requirements necessary to address this;
- The stock sustainability issues may require expensive solutions (for example investment to improve or remodel, disposal, or demolition) and this needs to be understood before making decisions to commit expenditure to the relevant stock;
- There was a lack of or uneven spread of up to date stock condition data for all of the assets, and whilst over 30% of the stock has been surveyed it is not yet at a stage where an overall understanding of the investment requirements for the stock can be comprehensively and accurately established;
- The 24 tower blocks require further detailed surveys, initial surveys have been carried out on the condition of the structure, mechanical and electrical installations, and any requirements in respect of fire safety. More invasive surveys are now needed to expand on the initial findings and establish a detailed understanding of their condition and short, medium and long-term investment requirements;
- There are areas of low demand stock, both high rise blocks and also traditional stock within certain neighbourhoods which are suffering from wider sustainability issues and require significant investment to improve them and make them attractive or to address them through other means;
- Our housing stock had started to become non-decent, and 5.5% of the stock is currently estimated to be non-decent, with some spikes in expenditure forecast for coming years;
- Past and current investment programmes have not dealt with issues relating to the underlying structure and fabric of multi storey blocks (as they have largely focused on kitchens and bathrooms), creating a backlog of investment works and increasing responsive repair expenditure which is insufficient to address the underlying issues and so issues will continue to recur. In some properties this is also leading to new kitchen and bathrooms deteriorating, further reducing the value of the investment that has already been made;
- Void levels were extremely high, in part due to some low demand properties being 'held' vacant
- Rents in Gateshead are of a low value, averaging £74.41 per week for 2019/20;

The issues identified at the time have moved on in the intervening period, but we still have more to do in order to have a full understanding of the position and the resolution to the issues. This supports the need for an interim strategy for a 12 month period whilst we resolve this.

### **3. Strategic Alignment**

This section provides an overview of the strategies that support, inform and influence how our HRA assets are managed, maintained and are invested in.

There are several corporate plans which impact on this Asset Management Strategy, and the strategy needs to align with them. This strategy will also influence and guide a range of supporting or inter-related strategies, plans and policies, to ensure that our management of our assets is part of a wider approach to delivering high quality services and places for the benefit of our residents.

**The key documents that should be read in conjunction with this strategy include:**

- HRA Business Plan
- Repairs & Maintenance Policy
- The Gateshead Standard
- Compliance & Cyclical maintenance Plans for – Asbestos, Gas, Electric, Fire Safety, Water Hygiene, Lifting devices & Painting
- Neighbourhood & Place Shaping Plans
- Digital Inclusion
- Gateshead’s Climate Emergency Declaration
- Housing Aids & Adaptations plan
- Rent & Income plans
- Land Development Framework & New Affordable Home Commitment

**From a wider perspective the strategy will also support the delivery of and align with several other strategies, policies and plans including:**

- Making Gateshead Thrive – The Thrive Strategy & Pledges
- Community Wealth Building
- Gateshead’s Housing Strategy
- Health & Wellbeing Strategy
- Affordable Housing Plan
- Corporate Strategic Asset Plan

Our Thrive agenda, which is focusing work and money on what matters most within Gateshead, remains a key Council objective and our approach to investing in our assets will align with this. This will include making the right investment decisions about where, when and how much to invest in our properties in order to get maximum value for money, but also supporting the principle of retaining ‘the Gateshead £’ in our investment delivery programmes.

Our wider housing strategy focuses on ensuring that people who live in Gateshead can access, sustain and remain in a home that meets their needs and is safe, secure and affordable, in a thriving neighbourhood. The Asset Management Strategy therefore needs to support the objectives of

maximising supply including through use of existing stock and bringing empty homes back into use, improving the quality, condition and management of housing and helping residents access and sustain a home which promotes their wellbeing and supports them to thrive.

## **4. Strategic Context – National Policy**

The housing sector is currently facing a number of complex and diverse challenges and there are a number of key national strategic factors which will influence how we manage our assets, and the strategy therefore needs to understand and respond to them.

### **Housing Growth**

The government and the Regulator of Social Housing (RSH) have set a clear expectation that social landlords use any increased rental income generated as a result of a return to annual rent rises to continue to invest in existing homes and deliver new homes.

Addressing the housing shortage is a priority issue for the government and one that carries clear expectations on how housing supply is increased in order to meet local housing needs. The government is also keen that people can be supported into home ownership, and have made available a number of packages and initiatives to enable social landlords to deliver new homes which specifically support this agenda.

### **Climate Change & The Low Carbon Future**

Gateshead has historically been at the fore of energy efficiency, embracing early the benefits of thermal efficiency and energy saving measures. We recognise the importance of the global Green Agenda and the Council has declared its own climate emergency and committed to a low carbon future.

The government has also committed to tackling climate change and intends to set a target of reducing domestic emissions to zero. The government have indicated the possible revision of the Decent Homes Standard and of this including a requirement to achieve EPC D by 2025 and EPC C by 2030, thereby obliging us to meet these targets. The RSH therefore expects social landlords to be working to understand the potential costs of making carbon reduction improvements to our assets.

We anticipate investment costs of between £17,000 to £20,000 per property, and in some cases potentially even as much as £37,000 for some hard to heat buildings. While the HRA includes allowances for costs for energy efficiency measures and improvements, this does not cover the likely £380m for all required measures, and it is unlikely to be met through public funding.

By 2025 new build homes will need to be low carbon and energy efficient, and this will incur additional costs for the construction of new build properties as well as the ongoing repair, maintenance and component renewals through the life of the property.

The standards suggested are in keeping with the commitments Gateshead has made around its Climate Emergency; however, they also raise affordability challenges for the HRA on how new homes are delivered alongside investment in to the performance of our existing properties and we will need to understand how we can fund this. We will also need to understand the current energy performance of all of our assets and the cost to bring them to the required standard, so that we can determine whether the costs will make any properties unsustainable. We will need to ensure we can

evaluate this before we embark on a programme of energy measures or other major improvements which would incur costs for properties which may not be sustainable in their current form.

## **Regulatory Standards**

### ***Existing Regulatory Standards***

The Value for Money Standard requires us to be able to demonstrate a full and comprehensive understanding of the financial performance of our assets, the income they generate and the cost we incur to maintain and manage them. We must also be able to demonstrate how we manage any stock which does not perform at an optimum level, and how we will intervene to address tackle those assets. A well evidenced Asset Management Strategy which sets out how our assets are performing is key to demonstrating our compliance with the standard.

The Home Standard requires that our homes meet at least the Decent Homes Standard and all applicable health and safety requirements for homes. We are also obliged to ensure a prudent, planned, balanced and value for money approach to repairs and maintenance of homes and communal areas. This must include our approach to the delivery of responsive and cyclical repairs, planned maintenance and the Housing Capital Programme, work to voids and the delivery of adaptation works.

### ***Social Housing White Paper – A Charter for Social Housing Residents***

The government published their Social Housing White Paper in November 2020 that aims to strengthen and, in some regards, significantly enhance the requirements of social landlords. This sets out clear expectations on building safety, building on the measures in the Building Safety Bill and proposing to strengthen the RSH's powers in this area. The Decent Homes standard is to be reviewed to see how it can better support decarbonisation and energy efficiency, improve communal and green spaces, and whether it reflects present day expectations. There are also proposals for enhanced scrutiny of performance on repairs and how income is spent.

Since 2004, we have improved the quality of the homes we manage to meet the Decent Homes Standard. However, there are already indications that we can do more to improve the quality of our residents' lives through effective investment in our existing homes and neighbourhoods, and the likely strengthening of the Decent Homes standard will require additional investment.

We will therefore need to understand how we manage and maintain our assets to ensure the safety of our residents, whilst also ensuring we have some headroom in our business plan to achieve any future increase in standards.

Other key proposals which are relevant to this strategy are the requirement to report on key performance indicators on repairs, safety, complaints, engagement and neighbourhood management. We will also need to allocate an accountable person for safety and the consumer standards across all assets.

## **Building Safety**

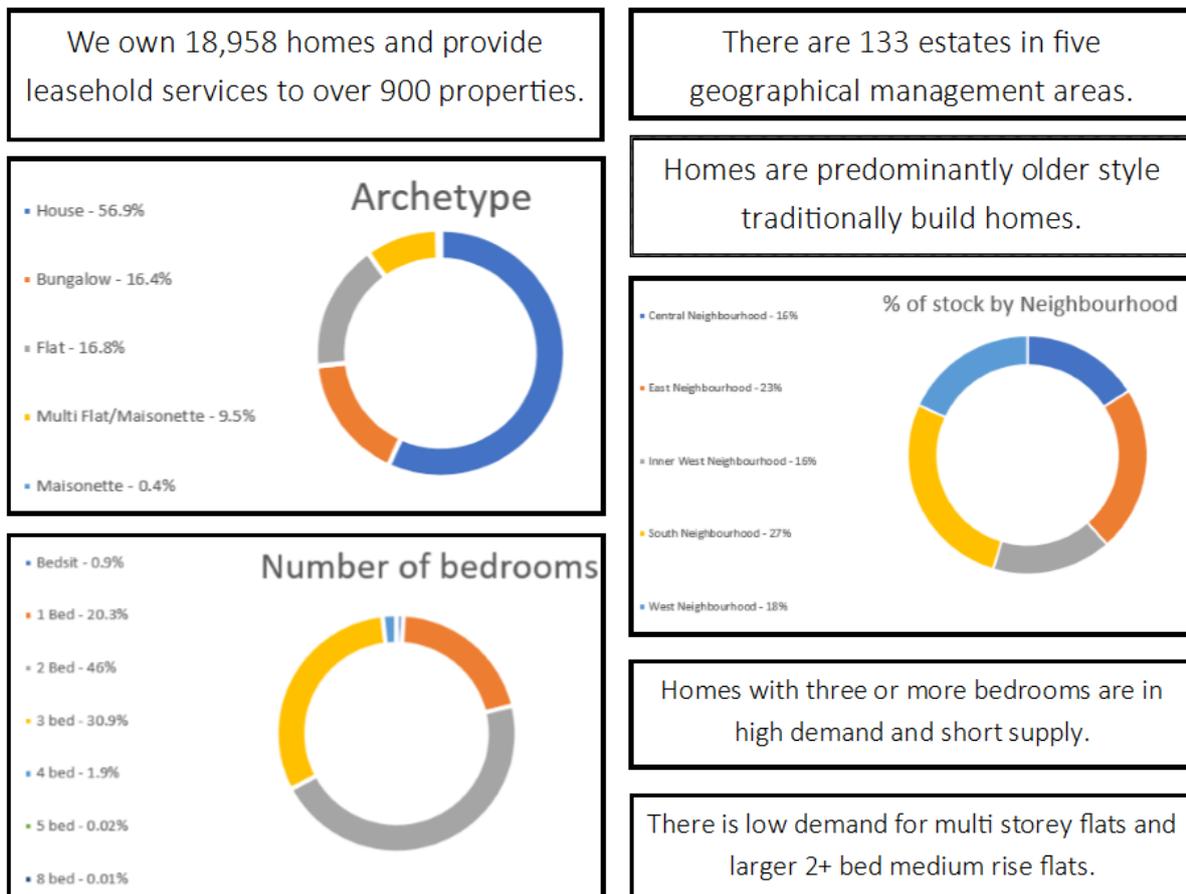
Tragic events such as the Grenfell Fire tragedy have increased government and the RSH's focus on building safety, maintenance, internal governance and the importance of resident engagement. The subsequent reviews and inquiries have brought increased scrutiny of the approach to building management, investment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

Significant changes to our legal obligations are expected during 2021 and beyond as a result of the Building Safety and Fire Safety Bills, and we will need to continue our work to strengthen how we maintain the safety of residents through our management of higher risk buildings. This will have further cost implications for us as owners of higher risk residential buildings, as we will have to compile and maintain safety case files and appoint Building Safety managers. There will also be enhanced management costs associated with new requirements under the Fire Safety Bill.

A new Building Safety Regulator will implement a more stringent regulatory regime for higher risk residential buildings of 18 metres or more than six storeys initially, extending to other premises in future. They will also oversee the safety of all buildings and will set requirements for the competence of professionals and tradespeople working on them. This will have implications for our management of our high-rise blocks and for ensuring the standard of work on all of our properties.

## 5. Gateshead Council's HRA Assets

### Domestic Asset Overview



The domestic stock is made up of multiple styles of construction. Just under 80% of our homes are traditionally constructed. Of the remainder, the most common non-traditional style of construction are MWM multi storey blocks and Wimpey-No-Fines houses. While non-traditional properties can be found across the borough, archetypes tend to be geographically grouped together as purpose-built estates or as 'infill' sites on larger traditionally built estates.

There are also 24 multi storey blocks managed within the HRA, mostly constructed during the 1960-70's. The blocks vary in design, with the tallest being twenty-one storeys. As well as high rise blocks, there are also over 1000 low and medium rise blocks within the stock that contain the flat and maisonette properties.

Over the last two years we have increased the level of investment within multi storey blocks and flats with communal space as we have strengthened our approach to building safety. The increasing levels of cyclical / invasive surveying has the potential to uncover currently unknown expenditure or shorten currently expected elemental remaining life expectancy.

### **Non-domestic Asset Overview**

The HRA owns a number of non-domestic assets, which are predominantly made up of garages, lounges, shops, land and play equipment.

Garages make up the largest proportion of non-domestic assets. These are assets that are formed of blocks or individual units that are not tied to or let as part of a domestic tenancy. There are 3678 garages currently in the HRA making up 512 garage block sites.

Within the HRA portfolio, there are also a range of shop units. Historically, this part of the portfolio has been managed separately from the wider HRA asset, meaning there have been differences in the approach to management, financial management and investment, but we intend to align these assets with the wider HRA portfolio to give a greater level of scrutiny and transparency on asset performance.

Land within the HRA falls into two separate categories. The first and smallest is allotments, which return a small financial contribution to the HRA. The larger section of land is community open space within estates, which includes grassed areas, paths and unadopted highways. This land returns no financial contribution but does have maintenance expenditure associated with it.

There are also a small number of fixed play equipment sites that fall within the management of the HRA. These sites carry with them inspection and compliance requirements as well as ongoing maintenance costs.

We recognise the need to review the status of non-domestic assets to explore how they are used and whether a change of use would bring more value to the HRA and better help support and sustain neighbourhoods & communities.

### **Data management & systems**

The Council has two core IT systems in operation to support the delivery of services within the HRA. Northgate's 'Housing Management Solution' (NPS) provides the core housing functionality for services such as Housing Management, Rent, Allocations and R&M. Civica's Keystone Asset Management provides the strategic asset management solution for the stock, providing functionality like Asset Management, Housing Quality Standard reporting.

Tertiary systems are in place to support specific functions, such as Tyne & Wear's Homes choice-based lettings service and some elements of compliance management.

The current IT systems are structurally fit for purpose; however, there is insufficient interfacing or linkages to ensure a 360 view of all business intelligence and we are strengthening our approach to data to ensure it is robust and resilient and will enable us to effectively manage and monitor the performance, quality and investment requirements of our assets.

## **Stock Condition**

We need to deliver a continual reinvestment plan to maintain our assets in a good condition and ensure they are fit for purpose. The reinvestment needs are identified by the stock condition data that is held in our Civica Keystone Asset Management system.

Just over 30% of the stock has a current stock condition survey; this includes all high, medium and low-rise blocks and all garage blocks. A rolling stock condition survey is underway with the intention of surveying the stock on a five-year rolling programme.

We have carried out a technical review of the quality and representativeness of our stock condition survey data and have identified a number of areas where we need to strengthen this in order to gather comprehensive data which will enable us to make evidenced investment decisions across all of our assets. We are working to gather data which will fill the gaps in the data, and for the life of this strategy we will make the best use of the data we have got.

## **Compliance and Building Safety**

The Council is committed to ensuring tenant safety, and our intention is to ensure that assets meet all applicable health and safety requirements so that all residents and visitors are confident that they are in a safe and secure environment. We have invested heavily in strengthening the safety of our assets over the last two years, and we will maintain the necessary investment when we have delivered this cycle of investment to ensure all of our assets are compliant.

The identification and robust management of risks, including any properties with defects which have a high-risk Housing Health & Safety Rating System (HHSRS) hazard will be important.

We have an Asbestos Management Plan which sets out how we identify and manage asbestos in the properties we manage, and all asbestos related activities, are carried out in accordance with the management plan and the Control of Asbestos Regulations 2012.

We are undertaking Legionella and Water Hygiene risk assessments across our stock and have completed them in buildings that are deemed to pose a potential risk. We have removed legacy risks from buildings and take steps to remove the potential for new water hygiene risks to be introduced. Water hygiene risk assessments and vacant property management processes are in place to ensure the risks are mitigated in any void property or building.

We operate a policy that ensures the safety of tenants and leaseholders in all homes that contain a gas supply or associated appliances such as a fire and ensures we meet our legal obligations.

Electrical safety inspections and associated repairs of the fixed wiring installations are undertaken at defined periods of time based on age and condition. We are working to improve how cyclical electrical testing can better inform our planned investment programme and support our collection of strong stock condition data.

In accordance with the Regulatory Reform (Fire Safety) Order 2005, we have undertaken fire risk assessments of all relevant assets. The assessments are reviewed on an annual basis and any remedial work required to mitigate the risks identified is reviewed, planned or undertaken in an appropriate timescale. We also carry out regular checks of the common parts of flats and blocks and activity that is monitored is recorded. None of the Council's high rise blocks has ever contained any Aluminium Composite Material (ACM) cladding.

Similarly, with other building safety and compliance based activities we are continuing to develop and adapt our processes, management and scrutiny to ensure that all homes, buildings and assets are safe.

### **Responsive Repairs**

In the last benchmarking exercise, the average number of repairs per property was 3.5 repairs. The average cost of repairs was £155.41 per property.

We have been developing a tool that will analyse estate-based repairs to gain insight into the numbers of repairs, the type of work and the property element that needs work and assess this against stock condition data. We intend to use this to identify trends and drivers for expenditure so that we can plan to deliver an appropriate balance of reactive repairs and planned investment, and ensure this is aligned with our understanding of stock condition and asset sustainability.

### **Void Properties**

The number of void properties has increased in recent years, and the level of financial loss for the HRA, with associated increased management costs, has become a further risk to the HRA Business Plan. Focused action is therefore required to improve this position, reduce the overall void numbers and relet properties. Alongside this we need to ensure that the properties we focus on are sustainable.

### **Adaptations**

The Council recognises its social responsibility to support vulnerable and disabled residents to remain independent in their home. We allocate an annual budget for the provision of minor works, like handrails, through to major adaptations such as adapted bathrooms or property alterations.

Demand for adaptations in Council homes remains high, with a large proportion of residents defining themselves as having a disability. We need to ensure that our approach to adaptations remains sustainable and viable, makes the 'best use' of our stock by ensuring that properties are allocated appropriately, that investment is made into only sustainable adaptations, and that value for money is achieved.

### **Homeownership**

Tenants exercising their Right To Buy remains a risk to the HRA. Applications remain consistent at an average of 256 per year, and of those applications around 140 progress to completion. It is anticipated that the sales in the region of 100 properties per year will continue for the foreseeable future, unless there are changes to the scheme.

Gateshead property prices are lower than the national average, with many properties falling well below lower quartile prices. Over the last 5 years, the average annual total valuation for completed sales was £12.9m.

Completed sales are commonly those of large traditionally built, high-quality low-cost houses in high demand areas. Many of those exercising the Right To Buy are also eligible for high discounts. For the last five years, the average total discount received was £6.6m, with the average net receipts totalling £6.3m.

The management of leasehold owned properties represents an additional risk to the Council through the statutory duties associated with them.

## **High Rise Blocks**

The analysis of the future pressures on the HRA highlights multi storey blocks as a key area of concern. While there has been significant investment in the blocks as part of the decent homes programme, there has been little investment into the physical structure of the buildings and the core building services such as ventilation and drainage. Some of these services and periphery building elements are not able to accommodate modern system upgrades and as such need replacement.

The buildings also form one of the largest challenges in the portfolio when it comes to energy efficiency. While some blocks have been externally insulated, others remain as built or have building details that would be difficult or unviable to insulate or build in other measures that would increase their SAP ratings.

No strategic review has been undertaken of the multi storey offer within the stock. With the significant changes in customer expectations for a modern and efficient home, household finance and benefit changes and sector wide issues such as Grenfell, we recognise that a dedicated multi storey strategy is needed to append to this strategy.

The multi storey stock is commonly characterised as a liability to the HRA; however, there is no strategic roadmap currently in place to guide any decision-making process around these assets. While historic demolitions have taken place in Felling, Chandless and Dunston, these have predominantly been driven by disrepair and dilapidation or wider estate driven regeneration projects. Any future approach needs to be driven by holistic understanding of the performance of the multi assets, an options appraisal and a solid understanding of future housing need.

Stock condition exercises have been undertaken in a percentage of the flats to assess the condition of the assets. While critical business intelligence, this data set is only part of a much wider piece of work required to ensure that the multi stock can be a net contributor to the HRA and not a liability. To gap fill and provide a fuller picture of the investment needs of the multi stock, a commission was raised for a detailed stock condition exercise. Phase 1 of this exercise has been delivered jointly by the Council's design services with support from built environment professionals. Phase 2 of this work will be completed during 2021/22 and will further investigate the initial findings.

## **Older Persons' Housing**

Since Gateshead last reviewed its older persons' housing blocks both the sector and market have changed exponentially. This part of the housing sector has evolved significantly with the private sector rented offer increasing in both scope and quality.

Gateshead has seven older persons' purpose-built housing blocks. They include over 200 sheltered 1- and 2-bedroom flats. Only one of these, Angel Court, is a modern purpose-built scheme. Demographically, there is also a disproportionate spread of blocks across the borough. The East, Central and West Neighbourhoods have 1 block each, while in the South there are four blocks.

Apart from Angel Court, the blocks are of their time and do not match the offer that is available elsewhere in the sector for modern sheltered or older persons' housing. While investment could significantly improve and update some of the blocks, in others it would be financial impractical or physically impossible to undertake the alterations that would secure the long-term viability in terms of meeting modern access and living standards.

Like the multi storey blocks, it is proposed to develop a specific interim Older Persons' Housing Asset Strategy to focus on the specific needs of this section of the stock. The strategy will, alongside the

Housing and Council's other strategies, review the current offer, undertake an options appraisal of the blocks and make recommendations on the future approach to this type of asset.

## **6. Asset Evaluation**

### **HRA Sustainability**

The resources for the delivery of the Asset Strategy come from within the Housing Revenue Account and its reserves. Gateshead's HRA is faced with affordability challenges and cannot meet all its future obligations without review and action to ensure its long-term sustainability.

We need to identify potentially uneconomical stock, and carry out options appraisals to determine whether and how its performance can be improved, and identify a recommended outcome, which could include change of use, reconfiguration, disposal or demolition and redevelopment. Increased levels of robust stock condition data is needed to support the assumptions about the stock and the smoothing out of future investment spikes.

We will also need to consider other options for how we deal with the future funding pressures, both due to the current forecast HRA deficit and the likely changes that will arise from the Building Safety Bill and the changes to the Decent Homes Standard.

### **Financial Deliverability**

We have reviewed the current forecast 30 year financial expenditure profile. In addition to the overall unaffordability of the current investment costs, there are also expenditure peaks in 2024 and then 2028 onwards, and these will need to be smoothed to make them affordable.

There are a number of key issues that need further exploration in order to make decisions about how the expenditure profile can be smoothed, including extending the life of certain components where they are in good repair and working order.

We will ensure that any capital funding demands on the HRA are considered against this strategy, and they will go through a robust scrutiny and approval process to ensure that they do not impact on the overall deliverability of our HRA business plan.

### **Evaluation Asset Performance**

The Council recognises the need to achieve balance and value for money when making investment decisions, and that we cannot invest in poorly performing stock or assets ahead of HRA sustainability or all other stock. We understand the need for thorough scrutiny, options appraisal and scenario modelling when making high value high risk investment decisions, and also that investment needs may not be the only factor contributing to poor asset performance.

We have an Asset Viability Tool (AVT) that can be used to assess the sustainability of the stock over the 30 year life of the HRA Business Plan and use this to support investment decisions. The tool takes account of a number of business metrics, including demand, projected costs and net present value and classifies assets based on their performance. The classification will identify the level of risk, and in that way drive decision making.

Property that is classified as 'Red' or 'Amber' will be subjected to scrutiny and additional investigation through a robust options appraisal, and they must be reclassified as 'Green' or an

alternative forward plan agreed to either monitor, dispose or redevelop. Those properties in the green tiers are deemed as sustainable and are our viable long-term assets. The largest proportion of the stock currently falls into this tier and can continue to be invested in with confidence.

### Environmental Sustainability

We are currently reviewing the energy efficiency data we hold, and identifying any gaps that we need to address so we can understand the scale and cost of work we will need to deliver to our assets to achieve the national targets on energy efficiency and carbon reduction.

70.9% of stock band C or above	28% band D, 1.1% E, 8 properties band F	Programme to review historic EWI system
Estimate £17–20k per property to reach carbon neutral	Lower cost to increase SAP	Gas is our main energy source

### Options Appraisal

We operate an options appraisal process to enable a balanced approach between making informed investment decisions and replacing or removing elements of the stock or assets that are no longer financially or socially viable.

Some assets within the wider portfolio present significant challenges that need careful consideration and thought. We have properties with a low or negative NPV, homes that have low SAP ratings that cannot be easily enhanced and buildings that no longer meet the expectations of customers for a modern home. With intervention and a clear strategy, some Red and Amber performing assets will be deemed fit for purpose or fit for the future and classed as sustainable.

## 7. Impact on Place shaping and plans

The Council fully understands and supports the importance and value of place-making and the public realm to residents and the communities we support. Strengthening the connection between people and their neighbourhood is key in creating quality public spaces and supportive communities that are able to contribute to our residents’ health and happiness, allowing them to thrive.

When undertaking capital works programmes, major investment or options appraisals, we will ensure that residents are consulted and actively involved in improvement, enhancements or changes to their neighbourhood.

Fast and reliable digital connectivity is now seen as essential to a modern and vibrant society. It can be the most efficient and effective way for some residents to access services and stay in touch with those who support them. As part of our larger regeneration schemes, we will identify opportunities to incorporate measures to ensure that our buildings are able to access the best possible broadband and digital services. We will work with our partners and external providers to support the installation of super-fast broadband services to our estates and buildings where feasible, ensuring that installations are managed in a way that protects residents, our assets and our neighbourhoods.

## 8. New Homes

The Council is currently committed to three schemes that will provide new Council homes. An Affordable Housing Plan and Programme will be developed to support the Council's priorities and will detail further the Housing Revenue Accounts roll.

## 9. Asset Management Strategic Objectives

Our Asset Management Strategy must ensure that we meet the key legal and regulatory obligations placed upon us. It must also enable us to support the delivery of government policy agendas and to respond to key national drivers.

We have identified the following key strategic objectives for our long term asset management vision as:

1. Creating thriving, high-quality and financially and environmentally sustainable homes and places
2. Ensuring safe homes, buildings and places
3. Establishing strong financial viability, sustainability and deliverability
4. Maximising community wealth building & employment impact

These objectives will be underpinned by:

- A. Having engaged customers
- B. Having an intelligence led approach to managing our assets
- C. Taking an effective approach to risk management

However the work that we are delivering on over the next 12 months means that we are unable to develop clear plans to achieve these objectives at the present time. Key activities over the next 12 months include the insourcing of the housing management service from The Gateshead Housing Company, the continued gathering of asset management data and intelligence, and the development of a detailed action plan and roadmap for achieving a HRA Business Plan which is in credit.

As a result, we are adopting an interim 12 month Asset Management Strategy which will be focused on the following objectives:

- Improving our understanding of our asset condition, performance and maintenance and investment costs by closing the gaps in our asset knowledge and intelligence;
- Demonstrating improvements in efficiencies, working to increase the sustainability of the Housing Revenue Account and starting to push back the date on which the HRA goes into deficit;
- Protecting property standards to maintain our Decent Homes position;
- Continuing to deliver our building safety compliance recovery plan;
- Developing a plan to tackle property viability and sustainability;
- Developing an approach to Thriving Neighbourhoods Planning to provide a framework for ensuring that our HRA assets are integrated with wider housing, and developing priority plans;
- Setting a target for a percentage improvement in the Net Present Value of our stock;

- set a target date for achieving carbon neutrality in the stock and agree a target SAP rating for our homes
- publish a proposed 5 year investment plan

During this time we will have more clarity on the likely changes which will come from the Building Safety Bill, the Social Housing White Paper and the government's intentions on low carbon targets.

As we still need to invest in our assets during the life of this strategy, our investment priorities will be:

- Maintaining safe and compliant homes;
- Maintaining properties which achieve the Gateshead Standard;
- Reducing fuel poverty, and also reducing carbon where possible;
- Ensuring the long term financial performance of homes, where it can be demonstrated that this represents value for money;
- Reducing the number of voids;
- Ensuring a value for money approach to responsive versus planned works;
- Delivering positive local economic outcomes;
- Supporting thriving places.

## **10. Governance & Delivering the Strategy**

The Strategy provides a structure and framework that will allow informed decisions to be made about our assets and our investment priorities over the next 12 months, and to develop medium term plans.

The Director of Housing, Compliance & Traded Services has overall ownership for the strategy, and for ensuring that it is aligned with other key strategies including the Growth Strategy. The HRA Asset Manager is responsible for delivery of the action plan.

The strategy will detail the strategic direction to all officers who are involved in housing service activities as well as our partners and stakeholders. It will provide a framework for Senior Leaders in the Council to support the housing asset management decision making process, influence housing related projects and programmes, including or approach to R&M.

This strategy covers the period 2021-22, and during this period we will develop our medium term asset management strategy for the following five years.

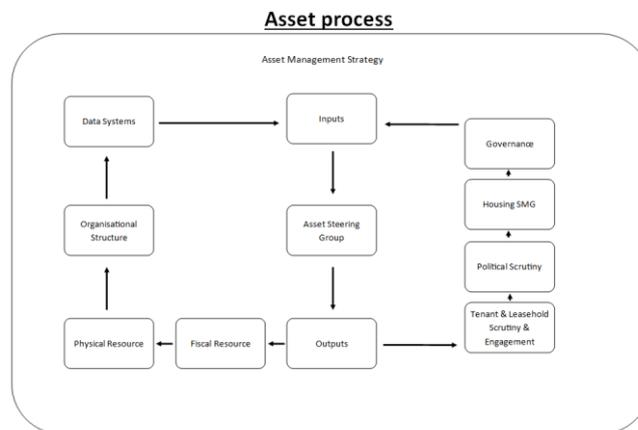
### **Structure and resources**

As part of the review of housing services, the Council has reviewed its organisational structure to ensure a proper alignment in the delivery, review and management of housing services, in particular activities related to responsive and planned work.

This includes the structure needed to deliver asset management. Whilst all staff must adhere to this strategy, the HRA Asset Manager will oversee its implementation, in conjunction with a newly created Asset Steering Group.

### **Asset Steering Group**

The Council has established an Asset Steering Group. This inclusive group of officers will look across of areas of asset management to provide a holistic view of the performance and management of our assets.



The Asset Steering Group will assess work programmes, promote options appraisals in the context of viability model findings, consider initiatives, monitor and reviews performance and take ownership of the Gateshead Standard, reassessing it from time to time in the context of the HRA Business Plan.

### Customer insight and engagement

The aspirations of stakeholders and residents are a key part of the strategy and how we implement it. Listening to and engaging with current and future residents will be an essential part of successfully delivering this strategy and ensuring the sustainability of the HRA. We aim to increase the formal and informal ways in which residents can take part and influence the decision-making process. Resident involvement and contributions will be sought at both a strategic level, through the Asset Steering Group, and at a project level throughout the project development stage, scheme communication and residents' choice.

### Ensuring Value for Money

Value for money must be enshrined in our approach to asset management and a fundamental part of the strategy. In order to sustain the HRA, we must be able to demonstrate that there is a full and comprehensive understanding of the financial performance of the assets we own and the cost to manage and sustain them.

Financial scrutiny will run through all activities. All investment decisions will be reviewed prior to commitment and analysed once completed to ensure the desired outcomes have been achieved. We have worked with Pennington Choices to develop Stock Condition & HRA Business Planning Controls that will be used to validate and assess the value and effectiveness of our investment decisions.

The Asset Steering Group will review VFM and costs to ensure that the HRA is receiving best value. Schedule of rates (SOR) costs will be reviewed and benchmarked.

### Ensuring compliance and regulatory control

As the government progresses its proposals for the reform of building safety, how we deliver, monitor and review works will form an important part of how meet the challenges of future regulatory frameworks.

All the elements and stages that form the design, development, delivery and ongoing management of works will need to be scrutinised for compliance. We will ensure that only those competent to do so, and with the right skills, are commissioned to deliver work. This is the only way to ensure residents are safe in their homes and our assets protected.

### **Commissioning role & internal partnering relationship**

For the Council to effectively maintain our assets, we must maximise the performance of our stock and increase the net present value it generates. To do this, we must keep both maintenance costs and premature element failures to a minimum.

The delivery of work in a planned way, over a defined period, is a far more efficient than delivering it in a responsive way. To support the sustainability of the HRA, we must start reducing the amount of reactive repair activity and increase the amount of planned work.

An efficient and effective repairs service and planned delivery model is essential to support the Asset Management Strategy and meet the requirements of the 'Home Standard'.

The Asset Steering Group will assume the role for commissioning Property & Assets and this will be undertaken through the HRA Asset Manager. Performance information, trend analysis, delivery and scrutiny of the repairs service plan will form part of the Asset Steering Group remit. Close alignment of the management of our assets and their daily maintenance is key to delivering VFM and ensuring asset sustainability.

## **11. Closing Statement**

This interim asset management strategy sets out the key priorities and projects that will be delivered over the next 12 months. It will provide the time needed to close the gaps in business knowledge and intelligence and allow for the development of a fully informed and developed asset management strategy for 2022 – 2052.

**Gateshead Council**  
**Draft Housing Revenue Account Asset Management Plan 2021**

**Strategic Objectives**

- A** Creating thriving, high-quality and financially and environmentally sustainable homes and places
- B** Ensuring safe homes and places
- C** Establishing strong financial viability, sustainability & deliverability
- D** Maximising community wealth building & employment impact

Objective	Key Activity	Linked to Strategic Objective	Responsible Person(s)	Measure of success	Target Date
<b>Governance &amp; Scrutiny</b>					
<b>Develop a forward looking, fully developed Asset management strategy that sets out Gateshead's long-term strategic vision and approach to ensure sustainable social housing in the borough</b>	<p>Review and further develop the interim strategy and cost plans to set out a sustainable and affordable approach for the HRA to maintaining the stock, rationalising assets, redevelopment and new build opportunities.</p> <p>Establish annual refresh of the strategy that reflects progress and reacts to sector changes</p> <p>Increase colleague awareness of the strategy and how it cross cuts all areas of service provision</p>	A, B, C & D	Simon Chrisp	An approved and embedded strategy that directs the way in which assets are managed; clearly identifies strategic priorities and delivers a sustainable Housing Revenue Account.	April 2022
<b>Establish an Asset Steering Group to support the development, delivery and scrutiny of the Asset Strategy and the actions and activities that flow from it.</b>	<p>Establish a core group and three subgroups with a defined vision, membership and TOR.</p> <p>Agree work plan and priorities for short &amp; medium term action to support the delivery of options appraisals and performance benchmarking.</p>	A, B & C	Simon Chrisp	The steering group will have a clear work plan that all services will have the ability to feed into and influence the asset decision making process and strategy to deliver a sustainable HRA.	Initial meeting held Jan '21

	<p>Define and agree standards and policies that support the sustainability of the HRA</p> <p>Approve short term investment priority targets for options appraisal process.</p>				
<p><b>Build on the experience gained from the voluntary regulatory undertaking with the RSH to ensure that robust business processes are in place to support the fulfilment of Gateshead's landlords' obligations.</b></p>	<p>Ensure Gateshead is well placed to respond to the outcomes from the Social Housing White Paper &amp; the Building Safety Bill, reconciling any anticipated cost implications with the HRA business plan.</p> <p>Using the experience gained from the voluntary undertaking, continue to build on the improvements to the provision of compliance-based activities, their delivery and the management of data.</p> <p>Apply the learning from the undertaking to stress test other elements of service provision associated with asset management (capital investment / decency &amp; R&amp;M) to ensure compliance with the regulatory standards.</p>	A, B, C & D	Simon Chrisp / Ian McLackland	Robust business process, underpinned by strong regulatory compliance that stands up to scrutiny, audit and inspection.	April 2022
<p><b>Produce a new Gateshead Standard to clearly define how the Decent Homes Standard will be sustained.</b></p>	<p>Develop and implement an up to date and clear standard detailing realistic life cycles and replacement criteria for elements, defining what a decent home will look like in Gateshead.</p> <p>Set a standard that is able to sustainably extend life cycles, reduce replacement</p>	A, B, C & D	Scott Straughan / Simon Chrisp / Phil Hogg	A new standard is in place that ensures homes can be maintained as decent in a way that is sustainable and affordable with in the HRA business plan.	October 2021

	costs and minimise future reinvestment obligations.				
<b>Engage and consult with customers to define Gateshead's offer, ensuring the asset strategy meets customer expectations and aspirations for a modern home and neighbourhood.</b>	<p>Consult and involve customer in the development and implementation of the strategy.</p> <p>Embed customer involvement in asset management processes and include customer representation in the asset steering group process.</p>	A, B, C & D	Simon Chrisp / Martin Poulter	A strategy and offer for Gateshead that has been shaped by customers. One that they feel they own and is fit for the future and enables them to thrive.	July 2021
<b>Introduce quarterly impact assessment to embed regular reviews of investment decisions, stock interventions and the impact upon the 30-year financial model.</b>	Establish a culture of review and scrutiny for investment decisions to ensure that desired outcomes are achieved and impact positively on the HRA.	C	Phil Oxley	Transparency around investment decisions, where evidence can be seen, outputs and benefits measured and demonstrated physically and financially.	September 2021
<b>Establish a communications policy to ensure stakeholders, customers and residents are kept informed and updated on the investment, redevelopment and regeneration decisions that are made and the outcomes that flow from them.</b>	<p>To better engage, we will identify and explore a range of solutions that will facilitate more agile engagement and allow us to better consult on our projects and investment plans.</p> <p>Encourage a more diverse group residents to be involved and help inform our approach. We will aim to provide easy, innovative and secure ways for our residents to participate in person and online, negating the traditional barriers to involvement.</p> <p>Agree a protocol for publicising</p>	A & D	Simon Chrisp / Martin Poulter	Customers, stakeholders and residents that are well informed and are engaged, know about our priorities, how we perform and how they can be involved.	September 2021

	activities linked to the HRA capital programme, informing customers of the works, improvements and decisions that are made and building on the direct benefits and improvements they make to people's lives.				
<b>Data Management, analysis and insight</b>	<p>Support the development of the current Civica &amp; Northgate IT systems to ensure they continue to be structurally fit for purpose and meet the needs of the HRA business plan.</p> <p>Develop a 360 view of all business intelligence linked to the sustainability of our assets. Ensure that only data with value is collected and that it is managed and maintained so that it can be effectively used to monitor the housing portfolio. Work to ensure we are best placed to maximise the benefits of analytics, 'big' data and data science technologies to support the sustainability of the HRA.</p>	C	Andrew Curtis / Simon Chrisp	IT systems that are supported, accurate and hold business intelligence that supports and informs the delivery of the HRA Asset Strategy and HRA Business Plan.	April 2022
<b>Sustainability</b>					
<b>Increase the proportion of the stock that has a new condition survey and implement a programme to achieve 100% coverage.</b>	<p>Develop a programme for reaching 100% stock condition survey for all domestic assets.</p> <p>Deliver the programme in a way that reduces the existing estate spikes and provides a better base data set for interim financial modelling.</p>	C	Shaun Brown / Phil Oxley	100% stock condition data held for all assets that support financial forecasting and business planning which is supported by a robust resurveying process that maintains data quality.	Early 2023

	<p>Embed scrutiny, independent validation and feedback into the surveying process to ensure that data quality is maintained to a high standard, guaranteeing the robustness and accuracy of the HRA investment decisions and the business plan.</p> <p>Build on the phase one surveying of multi storey blocks to identify phase 2 priorities and procure a competent surveying partner.</p> <p>Ensure all replacement and renewal data from void / cyclical and repair work is captured and used to update stock condition data.</p> <p>Instigate a rolling programme of refresher surveys to ensure stock condition knowledge is maintained.</p>				
<p><b>Carry out an independent validation of the viability model to ensure that it is accurately able to benchmark stock performance.</b></p>	<p>Get independent validation of the viability model to ensure that methodology, data and performance benchmarks are sound and fit for purpose.</p> <p>Implement processes that automate the running of the model to remove the existing data capture exercise.</p> <p>Increase the scope of the model to incorporate non-domestic assets.</p>	<p>C</p>	<p>Phil Oxley</p>	<p>A viability model that covers all HRA asset type, is validated as accurate and fit for purpose and has and is refreshed on a regular basis.</p>	<p>October 2021</p>

	Agree an in year 'refresh' frequency to reduce latency in the model.				
<b>Produce and publish a detailed rolling 5-year investment programme.</b>	<p>Using stock condition data, identify investment priorities and develop budget forecasts.</p> <p>Develop and publish a 5-year HRA capital programme, initially providing a 3 year works programme and subsequent 2-year financial forecast.</p> <p>Build up to a full 5-year projected works programme within 12 months of the publishing of the initial programme.</p>	A, B & C	Simon Chrisp	A published programme that will allow for greater workforce and resource planning, increased investment certainty linked to agreed priorities and better information to customers and stakeholders.	October 2021
<b>Review the 30-year financial forecast to ensure viability, deliverability and sustainability of the HRA.</b>	<p>Conduct a fundamental review of the 30-year financial investment model.</p> <p>Smoothing of investment peaks based on sound understanding of the asset performance and the Gateshead standard.</p> <p>Set targets for improving NPV and establish a rolling programme of review and performance escalation.</p> <p>Produce a new 30-year forecast that is sustainable and affordable and aligned to HRA priorities.</p>	C	Simon Chrisp / Kristina Robson	A 30-year financial forecast and business plan that is financially viable and supported by sustainable assets.	October 2021
<b>Undertake a review and update of elemental life cycles and schedule of</b>	Using repairs trend data and specifications expectations, analyse the performance of key building elements	A, B & C	Andrew Leggett / Shaun Brown / Scott Struaghan	Confidence in the expected life cycle performance of key building elements and a robust SOR that offers VFM.	April 2022

<p>rates to ensure that they are fit for purpose and offer value for money.</p>	<p>to identify appropriate life cycles, including the performance of element in differing archetypes.</p> <p>Review the housing performance specification to identify opportunities for value engineering.</p> <p>Embed a new and benchmarked schedule or rates for forecasting. Set up a review cycle to identify and adjust forecasts based on % discounts achieved in scheme delivery.</p>				
<p>Carry out detailed options appraisals on all RED performing stock types to identify the best future options including disposal, redevelopment, divest, reclassification, remodel or traditional investment.</p>	<p>Conduct options appraisal on</p> <ul style="list-style-type: none"> <li>• Redheugh &amp; Eslington Court</li> <li>• Warwick Court</li> <li>• Properties with SAP rating currently less than E</li> </ul> <p>Develop a term of reference for starting an options appraisal of</p> <ul style="list-style-type: none"> <li>• Purpose built sheltered housing blocks</li> <li>• Medium rise blocks archetypes with properties with more than 2 bedrooms</li> </ul> <p>Agree a forward plan for appraising remaining RED performing properties and prioritised AMBER properties.</p>	<p>A &amp; C</p>	<p>Simon Chrisp / Hazel Forster / Kevin Johnson</p>	<p>Agreed, approved and funded forward plan for option appraisal recommendations.</p>	<p>October 2021</p>

	Seek approval and implement the recommendations from the options appraisals				
<b>Repairs &amp; Maintenance</b>	<p>Complete work on repair trends tool to produce data that can be interrogate (alongside capital projections) to identify root causes and drivers for repairs and develop interventions to address.</p> <p>Review existing responsive v planning expenditure and develop a plan for increasing the % of planned work.</p> <p>Work with customers to explore areas of service enhancement and identify repair v capital priorities.</p> <p>Review tenancy management process linked to refusal of planned work and recharging of wilful damage / misuse to reduce pressure on R&amp;M budget and wider HRA.</p> <p>Identify trends in Void work and ensure support is built into the capital programme to support emerging works and the voids process.</p>	A, B & C	Phil Hogg / Simon Chrisp	An R&M service that is better supported through planned investment and is able to increase the % of rechargeable repair debt that is recovered.	April 2022
<b>Conclude an assessment of all garage sites and embed the recommendations that</b>	<p>Complete the garage review by May 2021.</p> <p>Seek agreement for the</p>	C	Emma Farr	A clear forward plan for the management of garage sites that protects sustainable assets, identifies opportunities and reduces risk for the	July 2021

<p><b>come out of that review.</b></p>	<p>recommendations for sites / block types.</p> <p>Establish a priority list of sites and recommendations to be progressed and secure funding to support the outcomes.</p>			<p>HRA.</p>	
<p><b>Develop interim asset strategies for targeted subsections of the stock.</b></p>	<p>Support the strategic review of multi storey accommodation and the purpose-built older persons' housing blocks. Undertake an options appraisal of the blocks and make recommendations on the future approach to this type of asset.</p> <p>Develop two archetype specific interim strategies that alongside the Housing and Council's other strategies, review the current offer. Guaranteeing the future approach to these assets is driven by holistic understanding of their performance, is underpinned by an options appraisal and a solid understanding of future housing need.</p>	<p>A, B &amp; C</p>	<p>Simon Chrisp / Hazel Foster / Kevin Johnson</p>	<p>Approved and embedded archetype targeted interim strategies that direct the way in which those assets are managed; clearly identifies strategic priorities and delivers sustainable assets that support the HRA business plan.</p>	<p>April 2022</p>
<p><b>Survey all non-domestic assets to record their condition, viability, risk, opportunities and investment need and develop a plan to manage them.</b></p>	<p>Identify land held in the HRA and develop GIS overlay for the sustainability model.</p> <p>Complete stock condition surveys on all HRA</p> <ul style="list-style-type: none"> <li>• shops</li> <li>• land &amp; street furniture</li> <li>• play equipment</li> </ul>	<p>C</p>	<p>Shaun Brown</p>	<p>A non-domestic asset register supported with up to date stock condition data and evaluation of alternative site uses.</p> <p>All commercial assets make a positive contribution and support the HRA's priorities.</p>	<p>April 2023</p>

	<ul style="list-style-type: none"> <li>• allotments</li> </ul> <p>Develop financial forecasts to support the wider HRA business plan.</p> <p>Review status and performance of non-domestic assets and explore how they can be used to deliver best value and/or outcomes.</p> <p>Carry out options appraisals on Red performing assets and explore options to maximise income, review social value, alternative uses and future potential.</p>				
<b>Ensure property standards are maintained and free from risk or disrepair.</b>	<p>Strengthen the approach to HHSRS by embedding it into all our surveying and property inspection processes. Increase staff awareness and training to ensure risks are understood and identified.</p> <p>Include HHSRS assessment in Keystone foundation stock condition survey.</p> <p>Increase general staff training and awareness of property condition, disrepair and fitness and ensure there is robust understanding of landlord obligations.</p>	B	Barry Chippindale / Shaun Brown / Phil Oxley	<p>All officers involved in surveying properties will have received appropriate training on HHSRS/ Section 11 Disrepair and Fitness for Human Habitation.</p> <p>HHSRS will be embedded in the stock condition process and data.</p>	April 2022
<b>Support communities and neighbourhoods to thrive.</b>	When undertaking capital works programmes, major investment or options appraisals, ensure that residents	A, C & D	Carole Nicholson / Simon Chrisp /	A capital and investment programme that supports neighbourhoods and communities to thrive and generates	April 2022

	<p>are consulted and actively involved in improvement, enhancements or changes to their neighbourhood.</p> <p>In larger regeneration schemes, identify opportunities to incorporate measures to ensure that our buildings can access the best possible broadband and digital services. Work with partners and external providers to support the installation of super-fast broadband services to our estates and buildings where feasible, ensuring that installations are managed in a way that protects residents, our assets and our neighbourhoods</p> <p>Through work with partners and by identifying opportunities within the HRA investment programme, examine the prospects for increasing apprenticeships and employment opportunities for residents.</p>		Ian Price	opportunities of education and employment.	
<b>Redefine the approach to services linked to Homeownership</b>	<p>Ensure that RTB &amp; lease renewal valuations are robust and accurate to give residents certainty and maximise the potential income for the Council.</p> <p>Appraise how permissions and consents pre- and post-sale are dealt with to ensure building safety and value for money.</p>	A, B, C & D	Janice Adams / Simon Chrisp	A combined homeownership function that supports customers and can maximise income and minimise financial risk to the HRA.	April 2023

	<p>Where we provide maintenance or other services to HRA land that others (apart from tenants and leaseholders) benefit from, investigate how, in future, we can cover the cost of these services more so that the HRA is protected.</p> <p>Assess the processes for the procurement of works so that the Section 20 process is supported and leasehold charges can be fully recovered for investment and cyclical work.</p>				
<b>Energy – Gateshead’s Climate Emergency</b>					
<b>Develop and implement a ‘fit for a low carbon future’ standard for the HRA</b>	<p>Supporting Gateshead’s Climate Emergency, develop and publish a commitment that details what Gateshead will do to reduce carbon use within the services linked to asset management.</p> <p>Develop a forward thinking and innovative approach to carbon reduction across all our assets. Examine the risks from non-domestic commercial assets and the potential opportunities with HRA land to offset carbon, improve our neighbourhoods &amp; help create vibrant &amp; thriving communities.</p> <p>Explore low/zero carbon technologies</p>	A & C	Simon Chrisp / Jim Gillon	A clear statement and standard that defines the commitment to support Gateshead’s climate emergency and ensure homes are fit for the future.	April 2022

	<p>and refresh the housing specification to ensure it is fit for a low carbon future and supports customers to use energy responsibly.</p> <p>Investigate options to value engineer carbon off-setting opportunities with non-domestic HRA assets</p>				
<p><b>Produce an action and cost plan for the stock which details how carbon net zero will be achieved alongside a minimum SAP rating of C.</b></p>	<p>Develop a financial appraisal of the work required to improve the stocks thermal efficiency and meet the requirements of net zero, including an assessment of the implications on the HRA business plan.</p> <p>Complete a pilot scheme with renewable technologies and insulation improvement. Review and monitor the schemes efficacy and the customer experience.</p> <p>Appraise the implications on R&amp;M of increase renewable technologies and changes to traditional building elements such as gas boilers.</p> <p>Review current arrangements for recording SAP in UNO and assess alternative solutions that maximise the use of stock condition data.</p>	A & C	Simon Chrisp	A well-researched and evidence cost plan for the HRA that forecasts additional investment requirements, incorporates the associated life time cost implications and is informed by robust and validated stock condition data.	October 2021
<p><b>Appraise the options for district energy schemes. Establishing the opportunities for</b></p>	<p>With the Energy Team, assess the spare capacity within existing energy schemes to establish the opportunities for connecting additional properties.</p>	A & C	Simon Chrisp / Jim Gillon	A comprehensive understanding of the potential alternative ways in which some of our assets could be heated, supported by a detailed cost benefit	April 2022

<p><b>expanding existing schemes where there is capacity and creating new systems.</b></p>	<p>Work with partners to assess the potential for the creation of new district energy schemes, including the sale of energy to leaseholder or homeowners.</p> <p>Review existing appliance data to identify the optimum timescales for gas boiler replacement programmes.</p>			<p>analysis for the HRA business plan.</p>	
<p><b>Raise awareness and influence government policy on financial support needed to achieve carbon net zero</b></p>	<p>Work proactively with others to coordinate our approach; assist sector and industry bodies to help adapt; and influence the Government to increase financial investment into largescale energy infrastructure projects around insulation, energy efficiency &amp; heat generation.</p>	<p>C</p>	<p>Simon Chrisp / Jim Gillon</p>	<p>Government and sector support that helps Gateshead meet its obligations, commitments and priorities around a carbon net zero future.</p>	<p>On going</p>
<p><b>Develop a strategy to invest in education and training programmes to aid and support customers overcome barriers to good energy use.</b></p>	<p>Develop programmes and support that will aid customers' transition to new renewable technologies and assist them in using them in affordable and responsible way.</p> <p>Work with customers to identify positive installation stories and instances of customer feedback to help support the successful migration of more customers to renewable technologies.</p> <p>Work with partners like CAB to develop information that will explain to</p>	<p>A, B, C &amp; D</p>	<p>Simon Chrisp/ Carole Nicholson / Martin Poulter</p>	<p>A strong communications programme, supported by partners, that supports customers through the transition from traditional energy systems to renewable technology.</p>	<p>April 2023</p>

	customers the changes that are going on around energy, how to responsibly use new technologies, deal with energy companies and reduce the risk of fuel poverty.				
<b>Review and evaluate the efficiency of existing EWI &amp; insulation schemes across the stock to ensure it remains fit for purpose and can support the 'fit for a low carbon future' standard.</b>	Assess all in-situ insulation schemes to ensure fitness for purpose and efficacy. Establish remaining life, SAP performance and validate financial expectations / stock condition data.	B & C	Andrew Leggett / Shaun Brown	Insulation systems that are safe, fit for purpose and support the priorities of a low carbon future.	Rolling evaluation programme to 2029