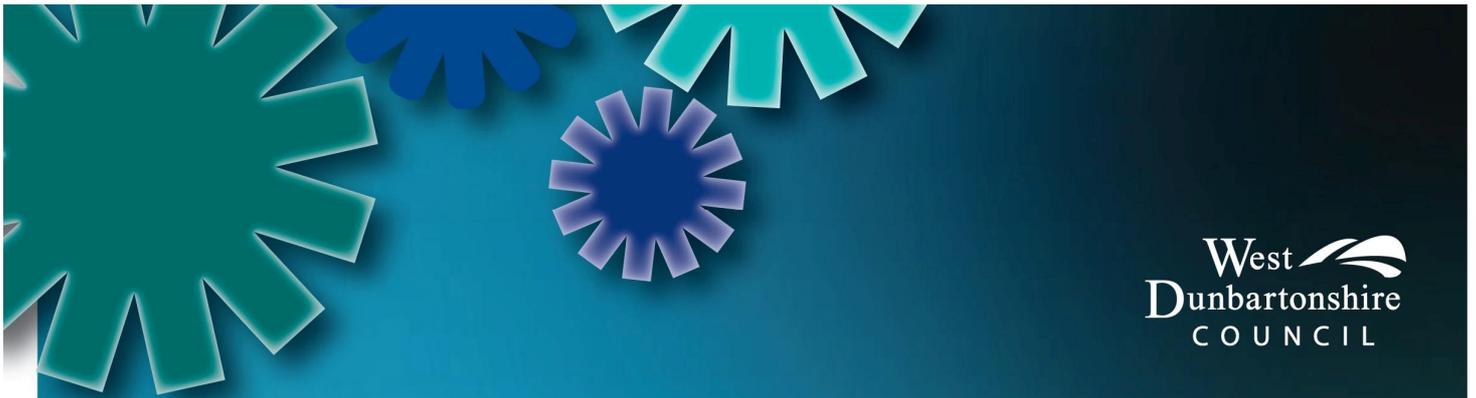




Housing Asset Management Planning

Briefing Note

October 2014



Introduction

Welcome to a series of regular briefings prepared by the Housing Strategy and Development team on the big issues concerning housing. These briefings will be shared with staff, tenants and elected members and keep everyone up to date with regards the ever changing policy context that we are operating within.

The Housing Strategy and Development section is responsible for:-

- Providing the statutory strategic housing authority role within the local authority area
- Supporting the development of a culture of continuous improvement in Housing services and to facilitate opportunities to excel;
- Developing and implementing effective strategies for Housing and Community Safety Services within West Dunbartonshire;
- Developing the Council's housing strategy to ensure that it supports the delivery of our strategic priorities;
- Performance management within Housing and Community Safety services; and
- Promoting effective management and the involvement of tenants across all aspects of Housing Services.

For further information on Housing Strategy and Development please telephone 01389 737889 or e-mail: housing.strategy@west-dunbarton.gov.uk

Background

In 2008 West Dunbartonshire Council, working with Arneil Johnston, produced an Asset Management Plan Model to assist the Council in its evidence based decision making for its stock. This was updated in 2010.

The Model produced a database of how the stock was performing in terms of 12 key indicators that focussed on:

- current costs;
- future costs;
- demand and long term voids.

The outcome provided an assessment of stock that was performing well, performing averagely or stock that was performing poorly and was considered key risk to the Council, i.e., stock that did not have a sustainable future.

This produced a number of options for the future of the stock and following consultation, the Council began the process of partial stock transfer. In June 2012, with a new administration in place, this decision was reversed.

Following this change in policy direction and using Asset Management Plan Model a number of decisions have been made with regards to the stock and implemented to varying extents such as designation of further surplus stock and the beginning of a Demolitions Programme.

Current Position

During 2013, the Council commissioned Savills to carry out a 100% Stock Condition Survey to inform plans to meet the SHQS and also looking further ahead at the 30 year business plan. This allowed the Asset Management Plan Model to be fully refreshed with up-to-date information. Therefore, going forward, informed decisions about our stock base and its 'fitness for purpose' can be made and stock examined in terms of the Council's corporate priorities.

Objectives of Asset Management Plan Model

- To produce an asset profile of the housing stock utilising available information
- To provide an evaluation of the costs and values of the stock
- To identify any obsolete stock and areas for regeneration using a clearly identified assessment framework
- To identify how performance can be monitored to ensure continuous improvement

How it works

The model contains a number of excel workbooks that gather a large range of information against each property. This allows an assessment of how each property performs against 9 key indicators. These indicators fall into 3 key areas of current costs, demand and future costs as follows:

Current Costs
Average Void Rent Loss % 11/12 – 13/14
Average Response & Void Repair Spend Per Property 11/12 – 13/14
Management Cost Per Unit 13/14
Net Present Value 13/14
Demand
Total Number of Times Void per property 11/12 – 13/14
Total Refusals 11/12 – 13/14
Overall Demand 13/14
Future Costs
Overall Cost – all Components 30 years
Structural Investment – 30 year cost profile

The information is taken from the previous 3 financial years – 2011/12, 2012/13 and 2013/14. The majority of information is available through Saffron from different departments. Some information has come from individual working databases.

Following the information being inputted against each property, scoring bands were established for each of the indicators and a score of 1 – 5 was given to every property against each of the indicators. The scoring is presented using a red, amber and green coding system where:

- red indicates a poor score of 4 or 5,
- amber indicates an average score of 3 and
- green indicates a good score of 1 or 2.

Each of the 9 scores is added up to give a total score which are also colour coded as follows:

Less than 20 = stock performing well
Between 21 – 28 = possible investigation required
More than 29 = poor performing stock

The results of the model can be viewed at an individual stock level as well as an Area Grouping level. This is when stock of a similar construction type and location are grouped together and assessed on how they perform as a group of properties.

At the time of the assessment (24 March 2014), West Dunbartonshire Council had 11,071 properties. The following basic results were found at an individual stock level:

Classification	No. of Properties	% of Stock
Stock Performing Well	7740	70%
Possible Investigation Required	2638	24%
Poor Performing Stock	648	6%

If looking at the stock in terms of the Area Groupings, the following results have been found:

Classification	No. of Area Groupings	No. of properties	% of stock
Stock Performing Well	88	3181	29%
Possible Investigation Required	132	6342	57%
Poor Performing Stock	15	1547	14%

Moving Forward

The Model and its results can be used to make evidence based decisions about the stock. It can be adapted, for example, to look at how a block of properties or street is performing as well as individual stock and area groupings.

One of the main purposes of the model is to establish if the Council has stock that will be unsustainable going forwards, that is, stock that is currently expensive, will be expensive in the future and lacks demand both now and in the future.

Having examined the results and the scoring of individual properties, there are a number of estates within West Dunbartonshire that appear to have a high proportion of stock featuring in the poorly performing category, these are:

Area	No. of Properties	% of stock in that area
Westcliff	93	33%
Jamestown	13	32%
Clydebank East	127	31%
Alexandria Town Centre	56	23%
O'Hare	31	21%

The findings were subject to discussion with the Housing Management Team (HMT) over the summer months and agreement that a paper be presented to the November Housing and Community Safety Committee, establishing further surplus stock based on the results of this model.

Approval will be sought from Committee to designate the following properties as surplus to requirements:

- 2, 4, 6, 8, 9, 10, 11 Talisman Avenue, Westcliff
- 1, 3, 5, 7, 9 Westcliff, Westcliff

- 3 Alexander Street
- 5 Gray Street
- 186-198 O'Hare

If approval is granted at the Housing and Communities Committee, authority will be granted to the Executive Director of Infrastructure and Regeneration to develop detailed plans for new build social housing in the Talisman/Westcliff area and to assess the viability of future action in the other areas outlined above. These plans will be subject to detailed community consultation over the next few months

The decision to declare this stock surplus was based on the AMP results and using local knowledge to pinpoint those poorly performing properties that have a significant impact on the estate they are situated in. Therefore this action, in conjunction with the work already being carried out in estates, will make way for improvement in the areas.

For further information, please contact

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