

A large, stylized graphic of a house with a heart shape. The top half is orange and the bottom half is green. The house is white with a green chimney.

# **Asset Management Strategy 2013-18**

**17 October 2013**



# Introduction

- ♥ Progress so far
- ♥ Key information in the strategy
- ♥ Asset Priorities
- ♥ Funding
- ♥ Performance Management
- ♥ Focus group



# Progress...

- ♥ First draft of the strategy prepared.
- ♥ Taking account of current position and future improvements.
- ♥ Next steps consultation with all stakeholders to benchmark strategy against expectations
- ♥ Workshops across October and November to collate comments and opinions.



# Key Information...

- ♥ Over the next five years The Gateshead Housing Company will invest almost £99 million in to the housing stock, through the Housing Investment Programme.
- ♥ This strategy will enable TGHC to attract additional external funding to complement the HIP. Delivering further improvements to enhance planned works and deliver meaningful savings and benefits to customers.
- ♥ Delivering sustainable neighbourhoods where communities are supported and sustained; supported by services and investment that meet the needs and expectations of current and future customers.
- ♥ Our approach to investment will be driven by our commitment to asset management and underpinned by our asset data. A continuum of assessment, planning, programming and evaluation will enable us to make informed investment decisions. Ensuring value for money, economic and environmental soundness and long term stock security.





♥ The strategy is linked to and builds on the TGHC's business plan and strategic objectives, Gateshead Council's Housing strategy 2013-18 and Housing Capital Programme. Focusing priorities on:

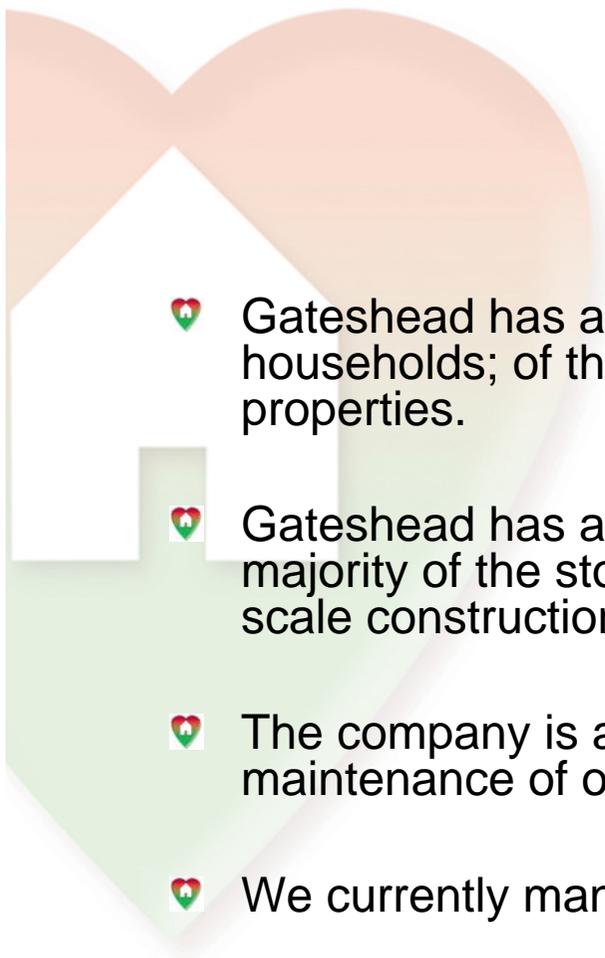
♥ Health & Safety Obligations

♥ Maintaining the Decent Homes Standard

♥ Estate Regeneration

♥ Other customer based priorities



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- ♥ Gateshead has a population of around 200,200 with 89,200 households; of those around 20,500 properties are Gateshead Council properties.
  - ♥ Gateshead has a range of pre and post war properties, with the majority of the stock being in excess of 40 years old. The last large scale construction was completed in the 1980's
  - ♥ The company is also responsible for the management and maintenance of over 3700 stand alone garages.
  - ♥ We currently manage and maintain 25 sustainable multi storey blocks
  - ♥ The company currently manages 816 leasehold properties. The number of managed leases has decreased recently due to regeneration schemes at Clasper Village and Chandless estates.



# Challenges

- ♥ An ageing customer profile
- ♥ High levels of disability
- ♥ Changes in demand
- ♥ Increased stock turn over
- ♥ Welfare reform
- ♥ Rising energy costs
- ♥ Right to Buy
- ♥ Extensive and complex communal and service areas



# Asset Priorities

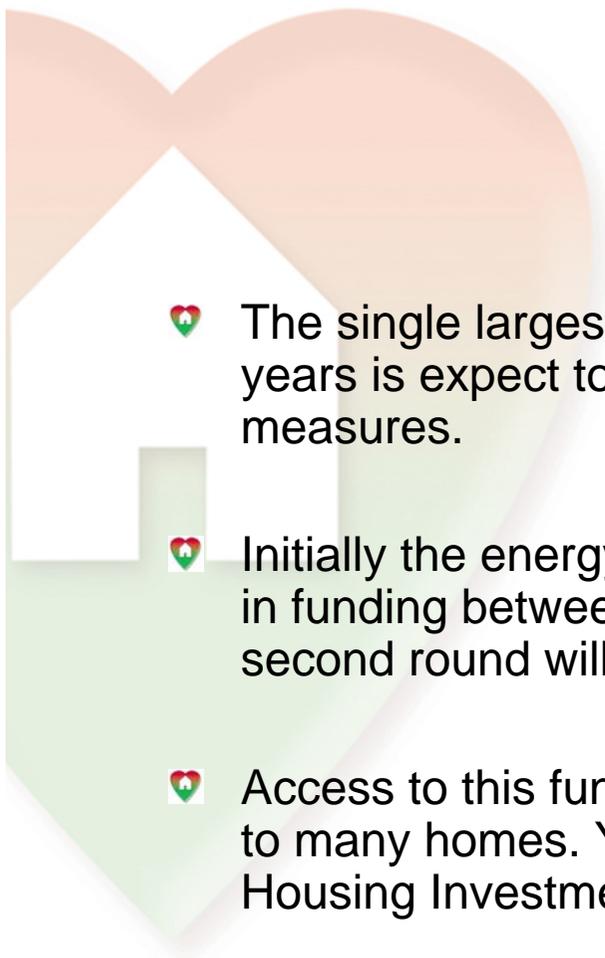
- ♥ Maintaining the stock to the Gateshead Standard
- ♥ Providing high levels of insulation and thermal comfort
- ♥ Modern & efficient heating systems
- ♥ Installation of high performance double glazed windows and doors
- ♥ External improvements to Multi storey blocks
- ♥ Ensuring non traditional properties are sustainable and meet customers expectations for a modern home
- ♥ Management of asbestos and accessibility to survey information
- ♥ Gateshead's district heating scheme



# Funding...

- ♥ From April 2012 Council housing funding changed away from the housing subsidy system, to the new 'self financing' arrangement. The new financial arrangement retains a ring fenced housing revenue account, but significantly changes how the funding is provided.
- ♥ Under self financing the money collected through rents and service charges is retained locally by the Council and used to manage the housing stock and fund the Housing Investment Programme.
- ♥ The new housing finance arrangements enable us to make longer term planning and investment decision based on greater financial certainty. Effective asset management will be key to this decision making process, ensuring that planned expenditure is managed in line with the resources that are available with in the housing revenue account.



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- ♥ The single largest opportunity for additional funding over the next 5 years is expected to be linked to the provision of energy efficiency measures.
  - ♥ Initially the energy companies are required to offload around £1.3 billion in funding between January 2013 and March 2015. After which a second round will begin.
  - ♥ Access to this funding could enable additional benefits to be delivered to many homes. Years ahead of improvements planned through the Housing Investment Programme.
  - ♥ In all funding opportunities we will look for added benefits to support wider estate sustainability.



# Focus Groups

- ♥ Consultation is one of the final stages in the development of the strategy
- ♥ Benchmarking the strategy against the expectations of all stakeholders to ensure our priorities and approach are correct.
- ♥ During October the strategy will be discussed on a sectional basis with officers
- ♥ During November customers, leaseholders and Gateshead Council will also be consulted.
- ♥ Committee Members are also asked to agree a convenient date in November to take part in a workshop on the strategy.





**Final stage - implementing the  
strategy in January 2014**

