

HRA – BUSINESS PLAN SUMMARY 2011-2041

Investment in our Homes and Neighbourhoods

The strategic context

Southampton City Council is the largest Landlord in the South East of England with over 18,000 properties let to households including tenants and leaseholders. Nearly one in five of every households in Southampton lives in a home owned by the City Council.

Investment in our Homes and Neighbourhoods is a part of Southampton's overarching Housing Strategy for the city. The Council and its partners are working hard to drive forward the Housing Strategy which will improve the quality of life in the city – particularly with regard to the future economic success of Southampton.

The Housing Strategy outlines the priorities for the housing sector in delivering this vision. These priorities are:

- **Maximising Homes for the City**
- **Improving Homes – Transforming Neighbourhoods**
- **Extra Support for those who need it**

The HRA Business Plan specifically relates to how Council housing is managed to support and deliver against these priorities. Investment in our Homes and Neighbourhoods provides a long term plan for managing and improving the Council's own housing stock to contribute to the overall progression of wider corporate and city-wide goals.

Background

This Plan, Investment in our Homes and Neighbourhoods sets out our aspirations for Southampton's Council housing stock over a 5, 10 and 30 year timeframe to enable us to track our progress against the priorities we have set, meeting tenants' aspirations and responding to longer term investment needs.

The Council produces a detailed HRA Business Plan every 4 years to define the asset management aims of the Council and its tenants.. The period between 2007 and 2011 has seen the Council meet the Decent Homes Standard for virtually all of its homes and make significant progress in the maintenance of its buildings and estates through the Decent Homes, Decent Homes Plus and Decent Neighbourhoods programmes.

Over the past four years over £61M has been spent on modernising our homes, fitting new kitchens, bathrooms, rewiring electrics and renewing roofs. We have also invested over £22.M on refurbishing communal lifts, installing new electronic concierge, new door entry systems, replacement double glazed windows, new

heating systems, disabled adaptations and refurbishing many of our supported housing schemes. Since 2005 we have refurbished 9,000 kitchens and 6,600 bathrooms and worked in over 10,000 homes carrying out other work as appropriate

At the end of December 2010, 99% of Southampton's tenanted properties met the Decent Homes Standard. The only homes not meeting this standard were those that we had specifically excluded for future redevelopment under our Estate Regeneration plans. This is a significant achievement as only 13% of the stock met the Decent Homes standard in 2001.

Through our Decent Neighbourhood Programme we have been making our estates safer places to live in by investing in new landscaping around many of our most popular housing areas, in public art and in external fitness facilities and play areas for our tenants.

In order to best manage our homes we have improved the stock condition data we collect and analyse. From this we produce information which we use to manage the repairs and maintenance of our homes and a detailed forecast of how much our homes will cost to maintain in the short, medium and long term. All of our plans are based on this information.

Most importantly tenants and leaseholders are at the heart of our decision-making process as they are the people who pay for and who will benefit from the money which we invest in Southampton, and which provides local job opportunities now and in the future.

Investment in our Homes and Neighbourhoods

Priorities

The priorities which have influenced our business plan are listed below. However our "Guiding Principles" in delivering services and programmes of work for the future will be about providing choice and by providing the best quality materials which we are able to afford for our homes.

The Southampton Home Standard:

Our priorities, in order, for our homes will be:

- Safe, Wind and Weather-tight
- Warm and energy efficient
- Have modern facilities inside the home, and
- Well maintained communal facilities.

Safe, Wind and Weather-tight – The first priority for Southampton as a landlord is to make sure that our homes are safe, wind and weather-tight. It is important for our homes to stop wind and water penetration. The Council can do this by making sure

roofs are replaced when required, that the external fabric of the home is in good condition and that windows and doors prevent wind and water from entering tenants' homes. We will also ensure that our homes have the correct safety systems in place and that we have tested gas appliances and supplies. We will also undertake to make sure that all our tower blocks and other blocks of flats have the appropriate level of fire, electrical and other safety checks carried out.

Warm and energy efficient - Energy Efficiency and a reduction in the energy consumed by our tenants and leaseholders continues to be a main priority for the Council. A continued drive towards energy efficiency will facilitate a reduction in fuel poverty and reduce domestic lighting and heating charges for our residents. The Council also wants to enable residents to use "green" energy either generated by the Council or by providing "green" energy products. We will increase loft insulation, install cavity wall insulation, provide solid wall external insulation, install photo voltaics and solar thermal equipment as well as installing combined heat and power systems to certain blocks of flats. The council will give all tenants control of their heating by providing individual metering over the next five years and also to take advantage of the Feed in Tariffs available now and in the future. Water meter providers are installing water metering where appropriate for individual tenants and leaseholders.

Have modern facilities inside the home – Southampton will continue to refurbish the inside of tenants' homes to meet the priorities that we have established. 9,000 homes have had kitchens replaced over the past 6 years, whilst much of the investment is not seen externally, it is important to meet tenants' aspirations - so this programme of investment will continue into the future and provide reasonably modern facilities for future generations.

Well maintained communal facilities – We will invest in programmes of work specifically to refurbish communal corridors, bin stores, lifts, electronic concierge and door entry systems which will continue to be maintained and refurbished for the benefit of the residents.

Repairs and Maintenance

The quality and performance of our day to day and programmed repairs services is key to maintaining housing conditions. The current Transformation Programme associated with our repairs and maintenance service will modernise these service areas to achieve a reduction in cost and increase service standards.. Improvements in repairs performance has been significant in recent years with more repairs being completed first time and with higher tenant satisfaction levels. This has released funding for direct investment in capital funding but there is still room for improvement so we will increase our performance further over the next five years to release further funding to meet tenants' aspirations.

Re-letting empty Council properties - The Council has halved the time it takes to re-let Council properties when they become empty. We have introduced both a "Moving In" and a "Moving Out standard" and tighter control on the condition that empty properties are left in will reduce the overall cost of re-letting empty homes. Tenants will be expected to leave properties in good condition in accordance with the "Moving Out" standard.

Housing Management

Our priorities over the period of this Business Plan are to:

- plan for and implement flexible tenancies
- maximise rental and other income to help pay for the investments needed
- enforce tenancy conditions, particularly with regard to ensuring residents look after their homes, and do not cause anti social behaviour in their community
- provide support to new tenants moving into their homes, and a tenancy visit before the end of their introductory tenancy
- establish a sustainable programme of tenancy visits and estate inspections
- provide personalised support for residents in supported housing
- promote resident involvement
- ensure more staff are seen out and about on our estates
- support training and employment initiatives and projects to tackle social and economic disadvantage on our estates.

A programme of patch planning is underway to ensure that the right estate improvements are identified and actioned for each locality.

Decent Neighbourhoods

As well as improving your homes, Southampton is leading the way on improving our estates and the wider landscape of our homes. Much of the appearance of our estates has remained largely unchanged. However, during the last four years the quality of the wider home environment has been changing as we work with our residents to challenge what our estates could look like with some imagination and creativity, investment and hard work. Improvements include landscaping, parking, play areas, public art and community safety measures.

Estate Regeneration

We have begun a major Estate Regeneration Programme as part of our wider commitment to tackle economic deprivation and social disadvantage on our estates. We have identified a number of sites which would benefit from comprehensive regeneration to develop more and better homes.

We want to create successful communities on our estates where people will want to live. Our vision is that future communities will be comprised of people of different ages and backgrounds, where work is the norm for all who are able. Homes and public spaces will be designed to provide safe and secure environments and local people will take an active involvement in ensuring the success of the community.

As well as projects already underway or under consultation with local residents, we will be embarking on a major transformation of the Townhill Park estate.

The programme will be funded in part by selling assets and utilising new funding to particular locations which are in a poor condition and which under-utilise the space in which these assets sit.

The estate regeneration programme will transform Southampton and provide modern affordable homes for future generations to come. This is the first part of an ambitious five year plan with further major plans for estate wide regeneration coming forward in the near future.

Resource Planning

The current resources for investment in Council housing come from a variety of sources, mainly however from tenants' rents. For the last four years the Council has been paying a subsidy to the Government and has been unable to spend all the money collected from tenants' rents within the city on tenants' homes and services. The subsidy would have inevitably increased over the period of the Business Plan and would have left Southampton not being able to afford to maintain and manage its homes effectively. However, the recent plans to change the Housing Revenue Account to a "self financing" model is expected to improve the financial forecast for Southampton and allow the Council to maintain and manage its stock of homes and deliver the investments proposed over the next 30 year business plan period, as well as include for flexible tenures and rent reform which will possibly increase income in the future.

This change will mean that Southampton accepts a "one off" debt settlement from the Government which it will need to borrow monies to fund. However, all rents and service charges collected for our homes will be kept by Southampton to pay for services and investment provided to tenants and leaseholders. Southampton welcomes these new arrangements as it is likely to benefit from them compared to the previous subsidy arrangements.

The government's final self-financing proposals will not be published until January 2012 so it is not possible at this time to quantify the financial benefit or to have detailed plans for the annual investment levels, although they will follow the principles in this paper. It is expected that the budget report that is presented to the Cabinet and Council in February 2012 will contain this information. One further resource which has been identified is the ability to sell a small number of empty properties, either through individual sales in the market or through trickle transfer to Registered Providers to facilitate investment in our estate regeneration plans for the future. Assumptions on this initiative will be included in the preparation of this Business Plan over the 30 year period and resources aligned with the programmes being identified.

Consultation

The Council's existing well-established tenant and resident participation structure has been used to obtain views about the development of the HRA Business Plan. Consultation with the Tenants' Capital Group continues to allow residents to understand the funding structures that are in place which allow the Council to expend money on Investment in our Homes and Investment in our Estates.

Residents' representatives expressed priorities centred on promoting greater choice, affordability, the condition of the existing housing stock, the need to link housing actions 'beyond bricks and mortar', making best use of land in the city, bringing empty homes back into use, regenerating run-down areas of the city and meeting the needs of vulnerable people. These are all key issues where the on-going effective

management of the Council's stock can, and will, play a major role. The tenants understand and support the priorities which have been illustrated above.

Action Planning and Achieving our Objectives

To achieve the goals set out in this Business Plan a number of key actions have been identified including their linkages to overall strategic housing priorities, the person responsible for the task, project milestones, indicative costs and a timetable for implementation. Progress will be monitored through the Council's Performance Management Framework, ensuring that all of the Council's plans work towards delivering the long-term vision of the city's Housing Strategy. The priorities outlined in this Business Plan will play a major role in securing the economic, social and environmental well-being of all Council tenants as well as leaseholders and local residents.

This HRA 2011 – 41 Business Plan is driven by the results of consultation. Taking it forward is very much about team-work and this year's plan builds on involving residents and Council staff to ensure a cross-cutting corporate approach. Many staff have been involved in the development of this plan and tenant association representatives have endorsed the approach that has been adopted in updating this year's plan.

Further information

Southampton City Council is committed to ensuring that all of its customers have equal access to key plans and services. This Business Plan is therefore available, on request, in **larger print**, Braille, on audio tape and on disk. It is also available in other languages from Southampton City Information on Tel: 023 8083 3333.

If you would like the full version of the HRA Business Plan, please go to our website address:

http://www.southampton.gov.uk/housing/housing_policies/default.asp#0

This HRA Business Plan sits along side the 20011-2014 Housing Strategy. To avoid duplication the Housing Strategy is often referred to as a reference point in this document and information is only repeated where it is considered to be necessary.

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