Birmingham City Council Cabinet

16 January 2024



Subject: Asset Management Strategy

Commissioner Review

Commissioners are supportive of the Safe, Sustainable and Warm key principles and the high-level strategy. The performance/delivery metrics are clear but need to be underpinned with plans to deliver the KPI's. There is clear reliance on the new R&M contract being both financially and operationally effective and efficient to deliver the asset improvement works. Commissioner Review

The three strategic Housing reports before Cabinet: the Housing Revenue Account (HRA) Business Plan and Rent Setting 2024/2025, Asset Management Strategy 2024-2029, Contract Award for the Provision of Repairs & Maintenance, Gas Servicing and Capital Improvement Works Programmes – Interim Contract 2024-2026 and the confirmation of the immediate commencement of the long-term procurement of the Repairs & Maintenance contracts starting in two years' time are key integral components to both the City Housing and Corporate Improvement and Recovery Plan(s) required by the Direction and Social Housing Regulatory regime.

The approval of these strategic plans and the award of the interim repairs' arrangements will provide the necessary but alone, insufficient foundations for improvement and recovery. The delivery of the plans will require corporate and housing commitment, prioritisation and a whole council focus and approach to improvement.

City Housing must take a rigorous, focused, consistent and long-term approach to delivering effective, resilient, and improving landlord functions through the prioritisation of investment in its existing housing stock, ensuring they have the right dedicated senior leadership expertise, capability and capacity and a skilled, permanent workforce in place to deliver at pace and with strong managerial grip to achieve decent homes.

Improved management of projects, programmes, performance, and risks are required to ensure timely early and sustained delivery of the commitments and ambitious targets set out in these reports. It is an absolute requirement that BCC has the necessary infrastructure, structure, and resources available to achieve H & S compliance and meet Decent Homes and Tenant Involvement and Empowerment Standards.

It is vital that BCC understands and applies the learning from the mistakes of the past and avoids repeating them. The Council has accepted that the housing stock has not received the investment or organisational attention required over a significant period and that the landlord functions and investment in housing stock were not previously prioritised or structured to best deliver and fulfil its landlord duties.

The directorate needs to be coherently organised around its landlord functions and aligned with the agreed improvement workstreams and work closely with colleagues from across the organisation to drive improvement and compliance. The HRA Business Plan ensures that City Housing is appropriately resourced over the long term to confidently respond to recommendations from the regulator and ombudsman, tenant and leaseholder feedback, benchmarking, and best practice and to drive sustained improvement to meet its commitments to tenants and leaseholders while recognising and addressing the scale and scope of improvement required across its housing stock.

Commissioners are supportive of the Safe, Sustainable and Warm key principles and the high-level strategy. The performance/delivery metrics are clear but need to be underpinned with plans to deliver the KPI's. There is clear reliance on the new R&M contract being both financially and operationally effective and efficient to deliver the asset improvement works.

A comprehensive delivery plan must be urgently established and include the commitments and targets set out in the HRA Business Plan and the Asset Management Strategy and progress will be closely monitored by City Housing, CLT, Cabinet Member, Cabinet and Scrutiny, tenants and leaseholder groups and the Social Housing Regulator. Any deviations from agreed milestones and targets will be tracked, monitored, managed, and reported with mitigating and corrective actions identified and taken, as necessary. It is vital that BCC builds and retains trust and confidence in its ability to progress at pace.

It will be necessary to regularly communicate with, engage and seek tenants and leaseholders' feedback and regularly report to them on progress and performance on key performance indicators.

Commissioners have provided detailed comments and feedback throughout drafting and these have been incorporated into the body of the report.

Commissioners support this Cabinet submission.