TOWER HAMLETS

London Borough of Tower Hamlets

Housing Asset Management Strategy 2026-2031

Contents

Foreword

This Housing Asset Management strategy 2026 – 2031 sets out our blueprint for managing the homes and housing assets that shape life in Tower Hamlets – from council flats to garages, shops, and community spaces.

This is the first Housing Asset Management Strategy since the housing management service was brought back under direct control of the council. That means we're accountable, ambitious, and ready to deliver key objectives for the wider borough. This document lays out how we will do that.

It is designed to be a robust, evidence-based strategy to lead our investment decisions over the next 5 years. Good data on the condition of our stock underpins the efficiency of every pound spent delivering warmer, more efficient homes that improve comfort, reduce bills, and improve quality of life for our residents. We are investing £609 million to ensure that every home in the borough will be compliant with the Decent Homes Standard by 2030.

The most immediate and visible improvements to residents' quality of life will come from tackling damp and mould and delivering a faster, more reliable repairs service. This strategy is rooted in the requirements of Awaab's Law and is designed as a practical vehicle for achieving these changes quickly and effectively.

Purpose

The asset management strategy structures our ability to deliver four core components of asset management:

Damp, mould, and repairs: This strategy places damp, mould, and repairs front and centre as an immediate priority. We will ensure rapid, visible improvements to residents' living conditions, aligned with Awaab's Law, and deliver a responsive repairs service that meets expectations and safeguards health and wellbeing.

Stock investment: We will invest to maintain the stock to a standard that meets resident expectations, Council needs, and regulatory requirements.

Active Asset Management: We will ensure that, long term, we have housing that meets the need of local communities, that is fit for purpose for the future and reflects resident priorities.

Supporting wider objectives: We will be clear where and how asset management supports wider objectives, such as energy efficiency, increasing the supply of new homes. and creating sustainable communities.

Strategic vision and plan

The Council's strategic plan 2022-2026 contains 8 priorities to deliver its vision for the future of the borough.

Priority 1:	Tackling the cost-of-living crisis
Priority 2:	Homes for the future
Priority 3:	Accelerate Education
Priority 4:	Boost culture, business, jobs and leisure
Priority 5:	Invest in public services
Priority 6:	Empower communities and fight crime
Priority 7:	A clean and green future
Priority 8:	A council that listens and works for everyone

This strategy spans several of these priorities, though most particularly Priority 2. It contains the ambition that "Everyone in Tower Hamlets lives in a good quality home that they can afford". Our asset management strategy is focussed on delivering this priority. We have developed a set of asset management objectives that have links to the delivery of all the Council's eight priorities.

This strategy is set out into 5 of its own priorities which lay out our objectives over the next 5 years.

This strategy sits under the Housing Strategy 2025-2035, which spans all tenures and sets borough-wide priorities. This document translates that vision into practical investment and compliance plans specifically for our own housing stock.

Scope

This strategy sets out our overall approach to asset management of the Housing Revenue Account (HRA) stock. It includes all our housing assets and other HRA assets including garages, shops, and community facilities.

It is a high-level strategy for housing asset management, with implementation supported by operational plans and policies.

It is distinct from – but strategically aligned with – the Strategic Asset Management Plan, which governs the Council's operational and commercial estate. While this strategy focuses on housing assets within the HRA, both plans share governance principles, contribute to the Council's Net Zero and financial sustainability goals, and intersect where surplus land or buildings can support housing delivery.

Measurement

We have built up our understanding of how our assets perform so we can appraise investment options. This will ensure that our long-term investment is targeted at stock that will continue to meet the needs of residents long into the future. To understand the performance of the housing stock, we have considered this from three perspectives:

- **Financial performance** to understand the worth of the properties to the business plan, now and in the future
- **Social performance** to consider the extent to which properties assist the Council to deliver its social housing objectives and corporate strategy
- **Market performance** to consider the impact of the external housing market and the risks and opportunities that presents for asset management.

Context

Cost-of-living crisis

We know that people continue to struggle with the cost-of-living crisis and economic uncertainty. This presents challenges both for our residents and for our business plan, and our strategy provides a framework to ensure we remain financially robust and well-resourced – even if external factors may be hard to predict.

Ensuring our homes are safe

There is a significant focus on data and safety. The Fire Safety Act 2021 and the Building Safety Act 2022 introduce additional costs and management obligations for our many tall buildings. Landlord compliance activity is critical to ensuring our homes are safe. The strategy sets out how we will continue to strengthen our delivery in key areas and across complex projects.

Cleanliness and air quality

Our Council strategic plan recognises that cleanliness and air quality needs to improve and sets targets for reduction in carbon emissions both from the Council and across the borough. We also have statutory obligations from the Climate Change Act and fuel poverty regulations alongside the Government's Heat and Buildings Strategy 2021 that requires all properties to be at EPC C by 2035 where affordable. We have set out our plans to deliver against the Council and statutory targets in Section 3.

Meeting new Consumer Standards

The Social Housing (Regulation) Act 2023 reforms regulation and strengthens our landlord obligations around transparency and accountability to our residents. It also stresses the importance of good data to demonstrate compliance. As we have brought our housing management services in-house, we have identified areas where we need to strengthen compliance with regulation, and we are working with the Social Housing Regulator to improve. Key areas of focus are the Safety and Quality Standard in relation to fire risk and asset and repair performance, and the Transparency, Influence and Accountability Standard in respect of complaint handling and governance.

Decent Homes

The Government is reviewing the Decent Homes Standard. This means that, within the next few years, all social housing stock in the country will be subject to new minimum requirements for decency. We have responded to the Government's consultation on the review, and this strategy prepares us to adapt to the new standard as its requirements come into focus.

Delivering new homes and alleviating overcrowding

Tower Hamlets, being the most overcrowded borough in London, faces a particularly acute shortage of social homes. We want to use our asset management to support the Council's ambitions to deliver new social homes and to reduce the number of residents living in overcrowded homes. The strategy sets out how we will continually review our existing asset base to identify opportunities for growth.

Planning for Better, Safer Homes: The Tools We Use

To make sure our homes are safe, well-maintained, and fit for the future, we use a range of tools and systems to guide our planning and investment decisions. These are the core tools required so that we can understand our assets, make informed decisions about their future, and deliver the component parts of this strategy.

These help us understand the condition of our homes, manage risks, and make sure we're delivering value for residents.

Stock Condition Data
We're building a clearer picture of the condition of our housing stock through stock condition data. So far, we've surveyed nearly half of our homes (47%) and are working towards full coverage to support investment planning. We are also developing an enhanced process to capture data from our responsive programmes and contracts, including:

- Day-to-day repairs
- Gas, fire equipment, and lift servicing
- Electrical, water tank, asbestos, and door inspections
- Painting

Data and governance to support compliance
We have a suite of key performance indicators (KPIs) to monitor compliance across all key areas. We also have policies and management plans in place for fire, asbestos, legionella, electric, gas, lifts, damp and mould. We use cross service meetings to manage risk.

Asset Performance Evaluation
We have a comprehensive understanding of asset performance from a financial perspective and are developing our understanding of the extent to which assets help us to meet our social objectives.

We will use this to inform investment planning, strategic asset management, housing management and neighbourhood planning. We will use the information to make informed decisions about where and when to invest in our assets and how best to support our residents to have good quality homes that they can afford.

Skills and expertise
The Asset Management Team in Housing is responsible for setting policies and standards relating to repair and maintenance, statutory reporting, the storage and management of asset related data, and leading on projects to ensure our homes reach the standards set and we make the best use of our assets.

We also engage external specialist expertise to assist in the development and delivery of projects. We are reviewing our structures to ensure we have a strong focus on areas of greatest risk such as building safety.

IT systems
We are committed to ensuring we have robust asset management databases and systems.

We have migrated to Northgate/NEC to provide a platform for our asset management.

We will consider the use of current and alternative additional IT systems to improve our management of risk and the organisation of data for building safety.

Priority 1:

Damp, Mould, Building Safety, and Repairs

Statement of intent:
We will invest in our homes to ensure they are safe, warm, and well-maintained – providing quality living conditions for all residents.

Current context:
The first phase of **Awaab's Law** came into effect on the 27th of October 2025, and we have allocated and recruited additional staffing resource where required to facilitate proactive, timely, and accurate diagnosis and treatment of damp and mould. We have defined damp and mould management duties and responsibilities throughout the Council with the Director for Housing Asset Management holding overall responsibility. Our performance is measured through our improvement plan and our damp and mould dashboard, monitored monthly by senior management.

We investigate each incidence of damp and mould using all available intelligence and without assumption. We respond to a report and complete any remedial works within a reasonable timescale aligned with Awaab's Law based on the severity, urgency, and complexity of the remediation required. Recurrent damp and mould reports are identified on our systems; they are be inspected for any proactive major capital works required; and this builds our understanding of property archetypes, building design and components associated with damp and mould. This informs a pragmatic approach to overcoming building design that contributes to condensation, damp and mould.

We own over 11,600 social rented homes and manage nearly 10,000 leaseholder properties. 95% of our homes are flats or maisonettes with nearly half built in the 1940s to 1960s. Over 6,300 of our flats are in high-rise buildings with the remainder largely consisting of walk-up (almost 9,900) and lift-accessed (over 3,500) medium- or low-rise flats. Around 800 of our properties are in listed buildings, with many more in conservation areas. We do not own any sheltered housing which is provided by other social landlords in the borough. We have one block of six homes in Hackney.

We have varying repairs and maintenance responsibilities for different parts of our stock. 153 of our homes are third-party managed on a long-term lease and an additional 771 properties are co-managed alongside four Tenancy Management Organisations (Bancroft, Birchfield, Dennis, Withy) where residents are responsible for a level of day-to-day repairs, but the Council retains long term asset management responsibilities.

We currently manage 469 Temporary Accommodation properties, some outside the borough and approximately half leased from other Registered Social Landlords, where we have responsibility for internal repairs and compliance. We are about to take direct management of 448 of these temporary accommodation assets into the HRA from the Council's General Fund.

We have new responsibilities under the Building Safety Act 2022 (BSA 2022) to manage building safety in all high-risk buildings. We have significantly expanded our team to address this, and plan further reviews of our team's resources to strengthen our focus on building safety. We currently have 79 high-risk buildings (as defined by the BSA 2022), with more in development.

We have completed and will maintain external wall surveys for all high-rise properties. In addition, we have several hundred buildings above 11m. We are anticipating further clarity on expectations for the management of these buildings and will extend our approach to them, and we will ensure residents in all our blocks are made aware of building safety requirements.

We have worked hard to strengthen our approach to managing safety across key compliance areas including gas, fire safety, asbestos, water, lifts and electrics. Results of monitoring checks are reported monthly to our departmental leadership team. We have developed practices to strengthen our oversight of health and safety compliance with a meeting structure to improve visibility to include representatives across the Council with responsibility for delivery. The meetings take a forward and backwards look to ensure our strategy is robust and we meet our requirements. We will continue to embed this compliance governance structure.

We have completed 100% of our fire risk assessments (FRAs); however, our self-referral to the Social Housing Regulator identified that we have had challenges in remediating identified risks. Many of these actions were reliant on major works and some related to poor quality data. Remediation works are being conducted on identified doors, cladding, panels, lighting, and ventilation systems.

Priority 1:
Actions

1.1 Building safety

We will:
- Have building safety cases and related action plans in place for all high-risk buildings by June 2026, and develop our approach to buildings above 11m
- Explore IT solutions to improve the golden thread for building safety and related risk
- Improve the resident information we hold to target person-centered fire risk assessments (PCFRAs), and put in place personal emergency evacuation plans (PEEPs) where required
- Move our asbestos register across to our new assets system and ensure asbestos information for buildings is accurate, live, and readily available.
- Use the meeting structures we have established to strengthen compliance so that we can deliver and maintain 100% compliance for all safety checks.

1.2 Damp and Mould

We will:
- Allocate and recruit additional staffing resources where required to facilitate proactive, timely, and accurate diagnoses and treatment of damp and mould

Heating

We will:
- Survey 20% of our communal mechanical and electrical systems annually

1.4 Maintenance

We will:
- Improve our digital offer by putting systems in place to make it easier for residents to arrange repairs
- Invest £609 million to ensure 100% of our properties meet the Government's Decent Homes Standard by 2030


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Priority 2:
Evidence-based, long-term investment

Statement of intent:
We will make informed decisions using high-quality data about the condition and performance of our homes, ensuring our plans are affordable and aligned with wider Council objectives.

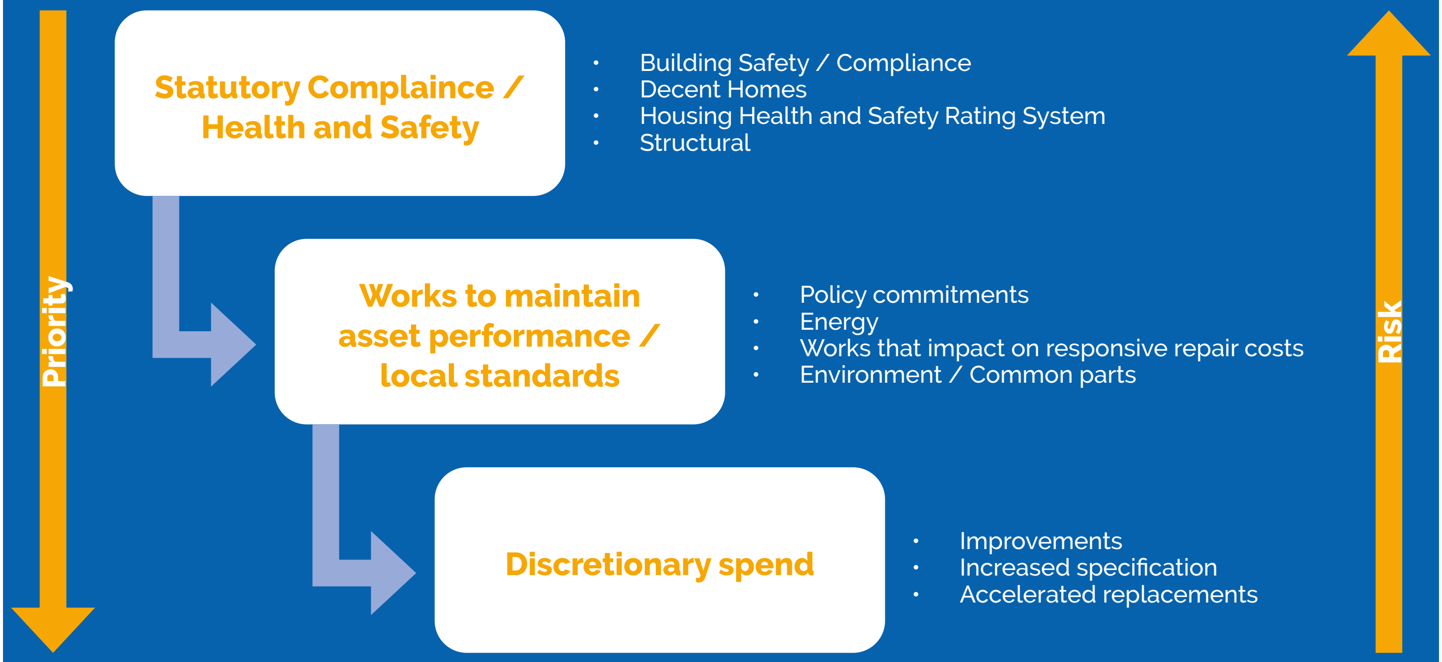
Current context:

HRA Business Plan
We have updated our HRA business plan with the most up to date survey data, along with other liabilities such as building safety. This allows us to test affordability and provides a golden thread from recently collected information through to the plan. The business plan currently includes for the full provision of capital spend against survey and other requirements.

There are several possible scenarios around asset investment. Whilst some investment is essential and non-discretionary (e.g. building safety or work to deliver Decent Homes), other investment is more discretionary. Of our more discretionary investment, some will be key to maintaining the income stream (e.g. ensuring properties can continue to be let) whilst others may be more based on improving resident satisfaction (e.g. environmental improvements on estates). Enhancements to the data enables us to provide members and residents with greater assurance that the highest priority requirements are being met and to illustrate the capacity that remains for any improvement related spend.

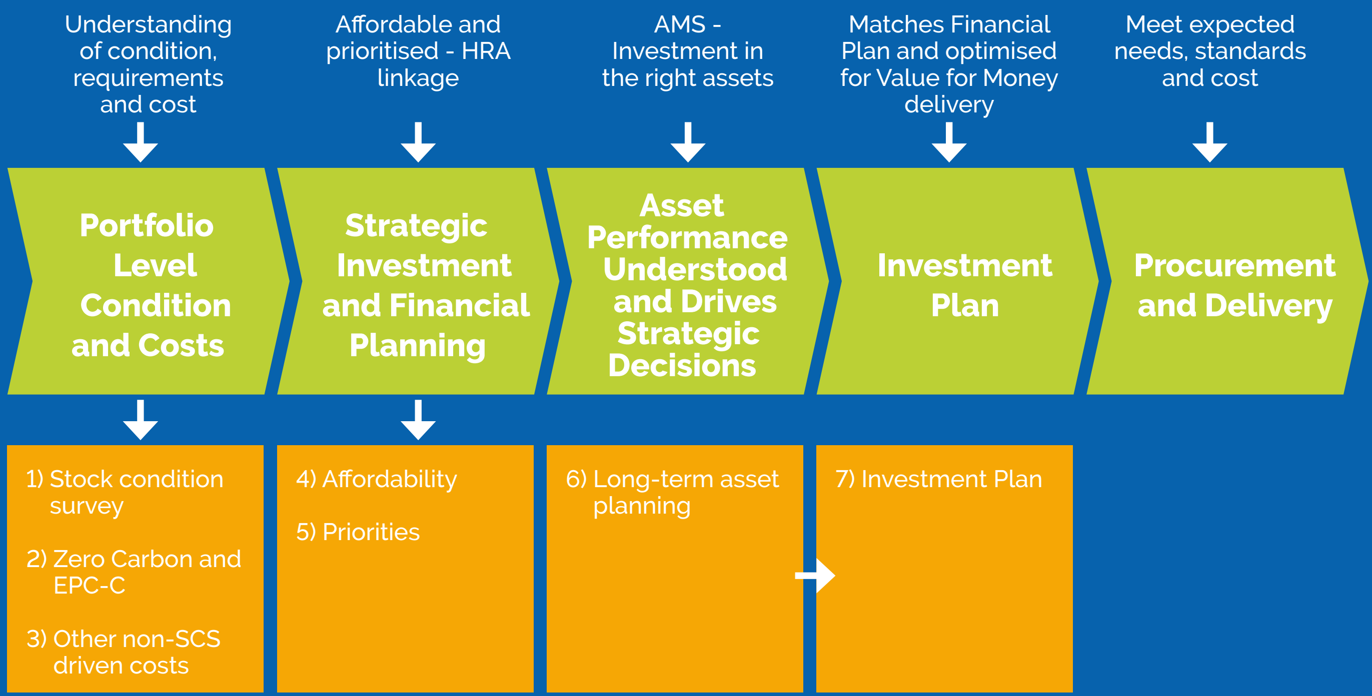
To ensure that we deliver our objectives to 'invest in our homes so they are well maintained and safe' and to 'ensure our plans are affordable within the business plan when considered alongside existing objectives' (e.g. new build), the investment plan prioritises works to the stock with a long-term future within available budgets as illustrated below. This is based on an understanding of the impact of the proposed approach on corporate objectives and risk, while maintaining the golden thread between data and the business plan.

The highest priority items carry the greatest risk if they are not delivered. Generally, the higher the priority, the lower the scope for either delaying or not delivering the associated programme of work.



Understanding the impact of the proposed approach on corporate objectives and risk

We currently work to a six-year capital programme. The process for developing our investment plan includes seven key stages as illustrated below.



Investment planning process

Our aspiration is to establish a rolling **10-year plan** with a golden thread between our stock condition data, what is affordable in our business plan and what is delivered on the ground. As our data improves, this will provide residents and contractors with greater visibility of the pipeline of work with a detailed three-year plan in line with the Council's Medium Term Financial Strategy, followed by a clear direction for investment over the following seven years. There are competing requirements for investment, and we will use the investment priorities outlined in this strategy to prioritise the work to be delivered. The allowances in the investment plan will be aligned to the business plan to ensure affordability.

Getting the right priorities at property level will require involving a range of staff from across services. To achieve this, we will work collaboratively to consider multiple iterations of an investment plan before an agreed programme is generated that best meets our objectives. The aim of the process is to turn the stock condition and other relevant data into a plan that optimises the available budgets and delivers value for money through:

- Alignment to the latest HRA Business Plan in accordance with strategic investment objectives.
- Triangulating repairs data, investment requirements, energy performance, void rent loss and asset performance to prioritise the properties that will have the greatest impact on reducing revenue costs and income loss.
- Breaking that data down into planning areas based on locality and stock type.
- Developing efficient programmes – including considering frequency of component replacement combinations and packaging, potentially conflicting programmes (e.g. window replacements against wall insulation programmes) and supply chain preferences.
- Considering the impact on leaseholders and the production of a future service charge plan.

Independently of the HRA Business Plan, Tower Hamlets has the highest London Plan targets for new homes in London. Our corporate strategy commits to delivering 4,000 affordable homes by May 2026. We have an acquisition programme aiming to acquire 237 properties, and a further 329 new homes across three development sites all at 100% social rent, providing urgently needed housing more quickly than through direct construction. These include Poplar Riverside (223), London Dockside (68), and Aberfeldy Village (38). The majority of these are focussed on larger accommodation (3bed+). Many of the new build properties will be in high rise buildings. We will have responsibility for ensuring building safety in the new homes built, either directly, or with a managing agent. We recognise the importance of good information to support building safety cases and are developing our capacity for Building Information Modelling (BIM).

The Mayor's Accelerated Housing Programme further promises to fast-track up to 3,332 new homes over the next five years.

We have one major estate regeneration scheme in progress at Harriott, Apsley and Pattisson Houses (HAP). This was identified from a study in 2016 as the best opportunity to increase the amount of council housing and was supported by a ballot of residents in 2020. This will include 175 new affordable homes as well as space for a new mosque and improved open spaces. We plan to look again at the potential for further regeneration on our estates, using new information on the performance of our current homes to identify further opportunities to improve homes for existing residents and increase the numbers of social rented homes.

We carry out a small-scale programme of extensions and knock throughs to increase the numbers of larger homes available to rent. We will explore the extent to which we can accelerate opportunities to enlarge homes and develop a funding strategy to deliver. This will include extensions and explore the potential for the reconfiguration of blocks to best serve our community needs. We are also aware of the need to reduce under-occupation, providing incentives and opportunities through our growth strategy.

In addition to our residential properties, we also own some 300 shops, and 1,500 garages across 36 estates. In the short term we regularly review our approach to garage management for opportunities to increase lettings or review potential alternative uses. We appraise options for garages before major works are carried out looking at options including repair and relet, use of the site for new homes as well as using the garages or site for community use.

We have a target for **all our stock condition data to be up to date (less than five years old) by December 2026,** with a plan to survey 20% of our properties annually thereafter.

Currently, 57% of our homes have been surveyed in the last five-years with older cost data inflated to reflect the current operating environment. With new IT we are also installing a process for automatic component updating.

Our stock condition survey findings indicate a 30-year base investment cost of £714.5m required for our current rental homes. An additional £48.5m is included in our business plan for exceptional extensive works to our rented homes, primarily focussed on building safety. This averages £64,000 per property to maintain our rented homes and improve building safety where required. The profile of when this expenditure is needed over the next 30 years is illustrated below. **We pledge to achieve 100% Decent Homes Compliance across our properties by 2030**.

In the past we have had a small-scale programme of disposal of high value assets (for example, grade-one listed properties) where the proceeds can support investment in new homes. Our recent modelling has included information on the market value of the properties in order to consider the opportunities to use further small-scale proactive disposal strategies to release value to support new development. This would be targeted at properties where the impact on cashflow can be managed and where there is the potential to fund additional new homes.

Our aim is to make informed decisions based on the performance of our stock and to identify suitable options to address stock that is performing poorly based on the results of the review of asset performance. This will improve the satisfaction of residents with homes that are better suited to current aspirations, demand, and household size. It will also mean that over time our business plan capacity will improve, increasing our ability to deliver our objectives.

Priority 2:
Actions

2.1 Building an evidence base

We will:

- Ensure complete information is available on all our new buildings to support effective asset management, including building safety cases
- Ensure 100% of our stock condition data is up to date (i.e., less than five years old) by December 2026, and establish a rolling programme to survey 20% of our stock each year from that point
- Meet with service heads across the Council to understand their requirements from our stock, and incorporate this into our investment planning
- Improve our process for referrals between repairs and planned investment
- Improve the information stored on landownership to respond more promptly to enquiries
- Update our performance assessment annually
- Expand our analysis of asset performance to include further social indicators
- Agree triggers for options appraisal by April 2026 and establish annual programmes of appraisals
- Review resource requirements to establish a programme of appraisals
- Develop a rolling 10-year investment plan working collaboratively across the service
- Update our data on garages as part of a strategic review of commercial opportunities

2.2 Support the Council's ambitions to increase the number of socially rented homes

We will:

- Continue to monitor the potential for further estate regeneration using new information on asset performance to identify new opportunities to improve the condition of homes across the borough.

Priority 3:

Value for money and social value

Statement of intent:
We will deliver value for money through efficient, compliant, and well-monitored programmes of work – maximising social value through procurement and partnerships. We will provide homes and services that reflect the current and future needs of our diverse communities and support the Council's ambition to increase the number of social rented homes.

Current context:
It is important to evaluate performance across a range of factors reflecting the social objectives of the Council – not just financial. This social analysis is essential to ensure our investment is targeted at the broadest range of Council objectives.

Our social performance analysis is currently limited to four factors: rental affordability, levels of deprivation, demand (turnover) and energy efficiency. We will expand this analysis to include further social indicators, linked to our corporate objectives that enable us to evaluate the performance of neighbourhoods from a resident perspective. This could include factors such as resident satisfaction, rates of anti-social behaviour, the extent to which residents feel safe and secure, and the quality of the outdoor environment.

We own and manage some 55 community buildings. These are used by community, faith and play groups with some used as Community Hubs. The approach to managing these properties is set out in the 'Strategic Asset Management Plan 2024-2029' which sets out performance measures, operating principles, net-zero planning, and asset management actions. The commitments set out below will ensure that all out-community assets remain good quality and that we continue to meet community needs.

Our asset management strategy links directly with our Corporate Strategy and Local Plan. Our aim is to manage our housing assets in a way that supports the Council's ambitions for growth. Our asset management decisions are driven by current and future anticipated demand for certain types, locations, and design of properties. Tower Hamlets is a fast growing, densely populated and diverse borough. We have an acute shortage of social homes with 25,000 households on our housing register and 3,500 residents in temporary accommodation. We have 15.9% of households living in overcrowded accommodation[1]. People are waiting far too long for family sized accommodation[2]. Currently only 28% of Council accommodation has 3 or more bedrooms. The borough has a relatively young age profile with less than 6% of residents aged over 65. Nearly a quarter of residents (23.9%) are children. This means our focus is on increasing family sized accommodation. Tower Hamlets has the lowest proportion of owner occupiers of any area in England and Wales at 23.1%. There is a large disparity of income in different parts of the borough. 40% of households have an annual income below £30,000 making home ownership in the borough out of reach for them. **This means our focus is on increasing social housing available to rent and ensuring our homes remain affordable to our residents.**

We are a diverse borough with the largest Muslim population in England and Wales. The Bangladeshi population is the largest in the country at 34.6%. The proportion of black African residents (5%) is double that of England and Wales and the proportion of Chinese population is the third highest in England and Wales and Roma the fourth largest. Almost 1 in 6 households (15.7%) have no one with English as their main language. This means our services need to be designed to be widely accessible and our assets to meet a range of diverse needs.

There are large disparities in health outcomes across the borough. Over a quarter of households report at least one disabled person living with them. There are significant differences in the rates of disability among different ethnic groups, linked to age and socio-economic characteristics. Our asset management service includes the provision of aids and adaptations to ensure people's homes meet their needs.

[1] Source: 2021 census

[2] Source: LBTH Website February 2025 Based on actual lets for 2023/24. Households in our highest priority bands one and two are waiting 7 and 12 years respectively for three- and four-bedroom accommodation with the wait for a five-bedroom property even longer at 11 years for households in priority band one

The Council is already committed to adapting properties to meet the changing needs of our tenants and has a budget of £500K per year for doing so. We aim to complete all minor works referred to us within 20 working days, and more complex projects in 12 weeks. We have installed an average of 178 adaptations a year over the last 4 years, with repairs to around 73 a year.

In our annual housing report, we committed to strengthening the management of our contracts, getting things right the first time, and improving our communication with residents to keep them updated on outstanding repairs with clear timelines for completion of works. Our repairs service is a crucial part of our relationship with our residents and is a significant determinant of satisfaction for tenants and leaseholders alike.

We are implementing a new 'Repairs and Recharges Policy' informed by an end-to-end review of our repairs service. We will also embed the process of regular meetings by our 'Disrepair Steering Group' with a range of representation to review compliance, objectives, and delivery.

Our framework for capital works procurement (Better Neighbourhoods Framework) ended in November 2024. We are currently using the South East Consortium framework while we establish new long-term arrangements. We are in the process of reviewing our approach designed to secure two main contracts for works and a framework for associated consultancy services. The review will ensure the procurement is fit for purpose to deliver the complex requirements of building safety and the 2023 Procurement Act as well as maximising the use of local suppliers and delivery of social value.

At the same time, we are procuring four other major contracts for concierge services, frameworks for M&E and lifts, and for major works at Latham House.

We are committed to driving value for money in our asset management activities. This will enable us to increase investment in existing and new homes.

The approach to investment planning set out in this strategy will be a key factor in driving value for money as we work to improve our data. It will enable us to target investment where it is most needed and provide clear indications of components and volumes over a longer time frame to improve value for money from our contracts. Our review of capital delivery will reduce slippage and improve our delivery to timescale. A measure of success will be the extent to which we deliver against the need identified in the survey.

Priority 3:
Actions

3.1 Meeting the current and future needs of our diverse communities

We will:
- Explore the extent to which we accelerate opportunities to enlarge homes, and develop a funding strategy to deliver
- Review the process of aids and adaptations and, and develop an adapted housing register within our asset database
- Review the use of all our community assets to ensure they are well used and meet need

3.2 Financial transparency and affordability

We will:
- Work to improve the accuracy of service charge bills and clear information to leaseholders on their liabilities
- Stress test the impact of net zero carbon, new build, and further regeneration on our business plan, considering changes to the plan based on our investment priorities
- Monitor outturn costs against our schedule of rates to ensure we can control cost variation

3.3 Procurement and contract efficiency

We will:
- Issue tenders for replacement of better neighborhood contracts
- Develop clear parameters to inform future procurement strategy
- Review the target operating model for capital investment, aiming for a revised operating model that ensures delivery of investment in line with the capacity and timescales of the investment plan

Priority 4:

Resident voice, local partnerships, and scrutiny

Statement of intent:
We will listen to residents and involve them in decisions that affect their homes, while working with partners to deliver improvements that matter to our communities.

Current context:
A key priority in our Council Strategic Plan is for us to be a council that listens and works for everyone. The ambition is for residents to benefit from accessible, high-quality services and be involved in decisions that affect them. We want to help deliver this ambition through our asset management services.

We have a new Tenant and Leaseholder Engagement Strategy which offers a menu of engagement opportunities to enable residents to influence decision making and hold us to account. The vision of the strategy is to place council tenants and leaseholders at the very centre of what we do. The commitment is to use data from engagement to drive performance and service improvement. We have an established tenant committee "Tenants' Voice" which includes tenants, leaseholders and a tenant of a leaseholder. This holds us to account on performance and helps us to shape service design and delivery.

From consultation on the development of the engagement strategy, residents have said they want to see more reporting on how we have acted on feedback. We will consider how best to report activity to residents through the various options available under the tenant and leaseholder engagement strategy and draw up an engagement plan for different aspects of our asset management service. This would include consultation on investment standards, performance reporting of capital programme delivery, seeking feedback to inform service design and delivery and reporting on action taken.

From consultation on the development of the Tenant and Leaseholder Engagement strategy, we know that residents want to see more reporting on how we have acted on feedback.

In the consultation for the Tenant and Leaseholder Engagement strategy residents told us they want better and speedier responses to queries and more direct engagement with staff. They particularly wanted us to respond quicker on repairs and to be kept informed of progress. Our end-to-end review of the repairs service has considered this feedback, and we are keen to make it easier for residents to do business with us.

In our annual "Tower Hamlets for All" resident survey, (which includes all borough residents – not just those living in council-owned stock) the three issues most concerning residents were crime and anti-social behaviour, rising prices and interest rates, and level of council tax. 'Lack of affordable housing' was fourth, 'quality of housing' was 7th, and 15th was 'overcrowded homes.'

Operational issues reported to us from front line staff include resident concerns around repair response times, call answering, leaseholder bills, anti-social behaviour, and poor-quality housing (particularly in older stock).

We conduct annual surveys of leaseholders and tenants. Tenant surveys are conducted aligned with the Tenant Satisfaction Measure (TSM) methodology established by the Regulator of Social Housing. Leaseholds and tenants are also engaged through a 'Repair and Condition of Homes' survey which focuses on our repair services.

Across all our TSM data the lowest satisfaction rating is in the way in which we handle complaints; 77% of complaints we received in 2023-2024 concerned repairs[3]. In our self-referral to the Regulator for Social Housing, we have highlighted the need to improve performance using resident insight to drive improvements. We are working on a range of actions to improve complaint handling and learning which will include quarterly reports to inform service improvement plans.

We recognise the financial burden for leaseholders when we carry out major works on their blocks and the risks to our business plan if we are unable to recover costs fully. We want to give leaseholders as much advance warning as possible about when works will take place. We also need to improve the accuracy of our service charge bills.

We recognise the value of working with partners to help us to deliver the actions in this strategy. We liaise with Registered Provider partners through the Tower Hamlets Housing Forum on both housing and asset management and our growth strategy. We work with partner contractors to deliver our capital programme. We will also bring in external expertise, for example to support the delivery of complex projects.

We hold a range of community facilities and work in partnership with voluntary organisations, community and faith groups to make best use of these facilities. We support the ambition in the corporate strategy and in the local plan for high quality community facilities. We work in partnership with the corporate landlord to manage these assets through the Strategic Asset Management Plan.

We work with several tenant management organisations (TMOs) where management responsibilities are shared between the parties. Effective and productive partnerships are important to ensure both parties can contribute to the management of assets.

[3] 2023/24 Council Housing Annual Report

Priority 4: Actions

4.1 Resident voice

We will:

- Draw up a resident engagement plan for different aspects of the asset management service
- Use quarterly complaints reports to learn lessons and improve asset management services in partnership with our Tenants' Voice resident scrutiny panel
- Review our leaseholder and tenant consultation process to give earlier notification of major works
- Learn from complaints and other resident feedback to improve the way we deliver work
- Work with residents and TRAs to make stock condition surveys more readily accessible
- Develop more innovative resident engagement solutions make the participation experience more accessible in order to increase the number of involved residents

4.2 Local partnerships

We will:

- Review communications between TMOs and the Council to support effective asset management, putting protocols in place to include data from repairs
- Develop protocols for close working with the Council as a corporate landlord

Priority 5:
Energy efficiency and carbon reduction

Statement of intent:
Our investment will support the Council's commitment to reducing carbon emissions, improving energy efficiency, and contributing to a greener borough.

Current context:
The age and construction type of our homes gives us challenges in achieving our energy efficiency and net-zero aspirations. Significant investment is required to ensure that everyone can live in a warm, dry, and energy efficient home that is fit for the future. We currently have a £325k annual budget for a zero-carbon retrofit programme with an additional bid for Warm Homes: Social Housing Fund Wave 3 programme from 2025-2029 to provide 60% grant funding required for the retrofit of 122 properties. Alongside external funding opportunities we will maximise use of the council's carbon offset fund to resource the decarbonisation of our homes.

In 2021 we looked at what it would take for homes to meet the Government's target of net zero by 2050. We assessed a series of building improvements designed to reduce carbon emissions to determine the cost and resultant reduction in both energy consumption and carbon emissions. The works are designed to reduce total carbon emissions by 85% with the residual emissions tackled through decarbonisation of the grid. The works also show a reduction in energy usage (KWh/year) aiming to reduce energy bills to tenants by around 50%. The cost of works was estimated to be between £148m and £211m in addition to the capital programme at the time.

Priority 5:
Actions

We will:
- Achieve EPC C for all out properties by 2035 where practical, cost-effective, and affordable
- Update our Net Zero Carbon Assessment to provide a costed roadmap for decarbonising our homes and reducing bills for our residents by 2045
- Maximise opportunities for additional funding towards energy efficiency and carbon reduction
- Develop a staged approach for reducing emissions where we have direct control (for example, the lighting in communal areas of our housing stock) over the next 5 to 10 years
- Explore how we can integrate charging points for e-bikes and electric hybrid vehicles within our housing grounds in a way that is safe, unintrusive, and accessible
- Prioritise the replacement of single-glazed windows where practicable to improve the energy efficiency of homes and reduce the occurrence of condensation mould

Governance, Oversight, and Accountability

Performance monitoring

We will report on our performance across all areas of the strategy – to colleagues, our members, our residents, and other key stakeholders. We will measure our success through a range of Key Performance Indicators (KPIs) which include:

- Growth in proportion of stock meeting resident priorities and needs (3+ bedroom properties)
- Growth in new social housing
- Resident satisfaction
- Decent Homes compliance
- Building and Fire Safety compliance
- Actions on damp and mould complete within timescales of Awaab's law
- Percentage of stock with up-to-date stock condition survey data
- Percentage of capital plan delivered
- Percentage of properties reaching EPC-C
- Capital investment contributing to Net Zero Carbon (NZC)
- NZC funding (once costed roadmap confirmed) secured
- Overall growth in NPV across the portfolio
- Number of options appraisals conducted for poorest-performing properties

We will develop regular reporting mechanisms against KPIs in this strategy to report performance to senior leadership and Housing Cabinet Sub-Committee.

Some actions in this strategy are also included in the Council's annual delivery plan and progress on these will be reported as part of the annual delivery plan reporting mechanisms.

Risk management

The strategy recognises that housing assets can also become liabilities, creating a risk to viability as well as significantly impacting on residents' lives. Risks are registered in our 'Housing Management Strategic Risk Register' overseen by the Housing Cabinet Sub-Committee and fed into the broader LBTH risk map. The Housing Management Improvement Delivery Board will monitor and manage risk and escalate these to the Housing Performance, Improvement or Compliance Board where appropriate.

Key risks addressed by this strategy include:

- Failures to manage health and safety compliance could put residents, staff and contractors at risk.
- Failures to meet statutory or regulatory standards can carry penalties and will damage the Council's reputation.
- Failure to maintain the golden thread between the understanding of stock condition and investment need and the allowances within the Business Plan.
- An incorrect scope or poor quality of stock investment will have a key influence on customer satisfaction.
- Poor value for money in stock investment will have a major impact on our finances as this represents a very large proportion of our HRA spend.
- Failure to sufficiently manage disrepair or damp contribute to component degradation, creates additional expenditure to maintain homes, and can impact resident health and wellbeing.
- Internal and external factors impact on investment need and expenditure. Key amongst these is currently Fire/Building Safety and energy efficiency. We will need to remain aware of the impact of these on investment levels in existing stock and any subsequent impact on our investment plans.
- Internally and externally published standards will need to be reviewed - changing standards may carry financial and reputational risk.
- Failure to accurately reflect compliance and performance in IT systems creates inefficiencies, jeopardises the success of business plan and access to requisite resources, and leads to lapses in compliance

Governance

We have established a new governance structure since insourcing the housing service. This includes the creation of new decision-making bodies, such as:

- Housing Performance, Improvement, and Compliance Board (HPIC)
- Corporate Directors Departmental Leadership Team (DLT)
- Housing Management Improvement Delivery Board (HMID)
- Housing Management Cabinet Sub-Committee (HMCSC)

Their roles in the carrying out of key tasks in relation to this strategy include:

- **Drafting, maintaining, and updating the Asset Management Strategy**: HMCSC approves the final draft and has overall responsibility for ownership of the Asset Management Strategy. It approves annuals updates to the strategy and provides assurance on the organisational and financial capacity to deliver it
- **Implementing stock options appraisals and managing outcomes**: HMCSC considers recommendations and makes decisions on the strategy's implementation. HMCSC agrees to a level of delegated authority for action based on agreed principles, while DLT provides early officer steer and drive to the development of housing and regeneration policies
- **Managing progress against delivery of ten-year investment plans**: HMCSC monitors the impacts of investment in ensuring the Council maintains decent homes, fire and building safety, and resident satisfaction
- **Updating stock condition survey information**: DLT approves the policy position and validation as set out in Priority 2: Evidence-based, long-term investment
- **Updating asset performance evaluation model**: Model outputs are reported to HPIC at each update to demonstrate progress in active asset management to improve value
- **Landlord Health and Safety Compliance programmes and reporting**: DLT approves the policy position on compliance testing, while HMID ensure delivery of the Improvement, Compliance, and Integration Plan. HPIC provide oversight and decision-making for performance, improvement, and compliance across housing services

Where assets or investment decisions sit at the boundary between HRA housing assets and the wider council property estate (for example, community buildings, commercial units within housing developments, and other mixed-use assets), the Council will coordinate decision-making with the corporate landlord function in line with the Strategic Asset Management Plan (SAMP) 2024-2029. Joint officer recommendations will be developed where decisions have cross-portfolio impacts (e.g. compliance, net zero, income, community benefit, or capital investment trade-offs) and escalated through the appropriate governance route for formal approval.

For example, where a community building on an estate requires major capital investment, the building's corporate property case (condition, running costs, net zero implications and community benefit) will be considered under the SAMP framework, while the resident and HRA impacts (estate priorities, consultation, service charge interfaces where relevant) will be governed through the AMS route, with a single joint recommendation.

Review

This strategy covers a five-year period from 2026-2031. Investment plans will be reviewed annually. The strategy will be reviewed in 2030.

Accountability and control

Accountability for the strategy is with the Director of Property and Assets. Operationally, responsibility is with the Head of Housing Asset Management to ensure agreed programmes are in place and delivered effectively.