



Report subject	BCP Homes Asset Management Strategy
Meeting date	26 March 2026
Status	Public Report
Executive summary	The Asset Management Strategy sets out BCP Homes' approach to managing approximately 9,600 Housing Revenue Account (HRA) properties, including dwellings, leasehold properties, garages, communal areas and associated assets. The strategy outlines how the Council will maintain, invest in and improve its housing stock over the next five years (2025/26–2030/31), while aligning with wider corporate objectives and preparing for long-term sustainability challenges.
Recommendations	<p>It is RECOMMENDED that:</p> <p>(a). Cabinet recommend that the Asset Management Strategy is adopted and implemented in full, with ongoing oversight to ensure investment remains aligned to stock condition data, regulatory requirements and resident priorities</p>
Reason for recommendations	Approval of the Asset Management Strategy is recommended because it provides a clear, evidence-based framework for maintaining safe, decent and sustainable homes, supported by robust stock condition data and a fully funded £121.8m five-year investment programme. The strategy is essential to ensure continued compliance with statutory housing and building safety requirements, deliver EPC Band C by 2030, and address tenant priorities for well-maintained, energy-efficient homes. It also strengthens long-term financial planning through a 30-year investment model and introduces improved asset intelligence, enabling informed decisions on future investment, sustainability and value for money.

Portfolio Holder(s):	Councillor Kieron Wilson – Housing and Regulatory Services
Corporate Director	Glynn Barton – Chief operations Officer
Report Authors	Simon Percival – Head of Facilities Management Matti Raudsepp – Director of Customer and Property Kelly Deane – Director Housing and Regulatory Services Stuart Brookes – Interim Head of Client Services and Asset Management
Wards	Council-wide
Classification	For Recommendation

Background

1. BCP Homes manages approximately 9,600 Housing Revenue Account properties, including dwellings, garages and associated communal assets. A new Asset Management Strategy has been developed to provide a unified, evidence-based approach to maintaining and investing in this stock following the creation of BCP Homes in 2022 and the subsequent integration of legacy systems, data and practices from the former Bournemouth and Poole councils. A comprehensive stock condition survey programme now covering 80% of homes has informed a detailed understanding of the condition, performance and future investment needs of the portfolio.
2. The strategy sets out a fully costed five-year investment plan and longer-term 30-year model, aligning statutory compliance, decarbonisation requirements, resident priorities and financial capacity within the HRA. It provides the framework needed to ensure homes remain safe, decent and sustainable while supporting wider corporate objectives around climate action, housing need and community wellbeing.
3. The Asset Management Strategy will be reviewed annually to ensure it remains aligned with current stock condition data, statutory and regulatory requirements, financial capacity within the Housing Revenue Account, and resident priorities. These annual reviews will provide an opportunity to update investment forecasts, incorporate new building safety or decarbonisation standards, and respond to any emerging risks or changes in operational performance, as identified through ongoing stock surveys and governance arrangements. A comprehensive full review of the Strategy is anticipated in 2030/31, coinciding with the completion of the current five-year investment cycle and the achievement of EPC Band C across all homes. This full review will reassess long-term investment needs, sustainability objectives, and asset performance to ensure the next strategy cycle remains robust, future-proof and financially deliverable
4. This Asset Management Strategy sits alongside the Council's Newbuild and Acquisition Strategy and the established pipeline of new homes, ensuring a coordinated and holistic approach to managing and expanding the housing portfolio. While the Asset Management Strategy focuses on maintaining, investing in and improving the existing 9,600 HRA homes, the Development Strategy provides the framework for delivering new, high-quality, energy-efficient housing that meets future

demand. Together, these strategies ensure that investment decisions support both the sustainability of current assets and the growth of the housing stock, enabling the Council to respond effectively to housing need, regeneration priorities and long-term financial planning within the HRA

5. Recent regulatory assurance activity by the Regulator of Social Housing found that BCP Homes achieved a C1 grading, confirming that the organisation demonstrated strong performance in the quality and completeness of its stock condition information. The inspection highlighted that BCP Homes holds robust, up-to-date data on its housing assets, reflecting the significant progress made in harmonising legacy systems and completing extensive stock surveys. This positive assessment provides important assurance that the Asset Management Strategy has been developed based on sound, reliable and independently validated data, strengthening confidence in the investment planning, lifecycle modelling and long-term approach set out within the strategy

Analysis

6. The Asset Management Strategy provides an integrated, data-driven framework for managing approximately 9,600 HRA homes, ensuring that investment decisions are aligned with statutory duties, building safety requirements, financial capacity and resident priorities. Analysis of the current stock condition data, covering 80% of homes within the last five years demonstrates that the housing portfolio is generally in good condition, with almost all properties meeting the Decent Homes Standard. . This provides a solid platform for forward planning and indicates that historic investment has been effective in maintaining stock quality.
7. The five-year investment need of £121.8m and the wider 30-year requirement of £638m have been derived directly from lifecycle modelling within the Asset Management system (Keystone), using validated component costs and survey data. The investment profile shows a concentration of need in kitchens, electrical works, heating systems, building fabric, roofing and energy-efficiency measures. These priorities closely mirror the results of tenant consultation, where residents highlighted well-maintained homes, modern kitchens and bathrooms, windows and doors, and a reliable repairs service as their most important concerns. Adoption of the strategy therefore ensures that investment decisions remain resident-led and aligned to the Tenant Satisfaction Measures framework.
8. Energy performance analysis identifies that the stock already performs above the national average with a mean SAP rating of 75, but around 2,200 properties still require improvements to achieve EPC Band C by 2030. The strategy outlines a practical and fully costed pathway to achieve this, including insulation upgrades, high heat retention storage heaters, photovoltaics and triple glazing. The financial modelling also provides for post 2030 decarbonisation investment, recognising that future standards will continue to rise and that early preparation is essential to maintain asset sustainability
9. Operational analysis shows that repairs, compliance and voids services are functioning effectively, with strong performance indicators, competitive costs and high levels of satisfaction. The in-house delivery model provides cost control and flexibility, while the voids service achieves good value and maintains Decent Homes compliance at point of letting. However, legacy data inconsistencies between the former Bournemouth and Poole systems highlight the need for ongoing survey work, improved asset intelligence and development of Net Present Value modelling. The strategy commits to completing a 100% stock condition survey by March 2026 and implementing full NPV and sustainability modelling by 2026/27, enabling more strategic decisions on investment, remodelling or redevelopment.
10. Overall analysis shows that the proposed strategy is robust, financially deliverable within the HRA Business Plan, and essential for ensuring the long-term safety,

quality and sustainability of the Council's housing stock. It provides the structure and evidence needed to prioritise investment, manage risk and meet statutory obligations, while responding directly to the needs and expectations of residents

Summary of financial implications

11. The Asset Management Strategy sets out a **fully costed and financially deliverable investment programme** within the Housing Revenue Account (HRA). Stock condition modelling identifies a **30-year investment requirement of £638m**, covering key components such as kitchens, bathrooms, electrical systems, heating, roofing, windows and decarbonisation measures. This investment profile has been developed using validated lifecycle data and 2025 cost assumptions and has been tested for affordability within the HRA Business Plan.
12. For the period of the strategy (2025/26–2029/30), a total of **£121.8m** is required to deliver essential planned works, including £16.4m for kitchens, £11.6m for electrical upgrades, £11.5m for energy-efficiency improvements to achieve EPC Band C, and £10.6m for roofing works. These costs are already incorporated into the medium-term HRA financial model, with sufficient headroom identified to support delivery.
13. The strategy also factors in future cost pressures, including post-2030 decarbonisation requirements (£72m) and anticipated additional costs linked to the revised Decent Homes Standard from 2035 (£19.8m). These provisions strengthen long-term financial resilience and ensure that emerging legislative requirements can be met without unplanned impacts on the HRA.
14. Failure to approve the strategy would increase financial risk by weakening long-term planning, potentially leading to higher reactive repairs expenditure, reduced asset value, and poorer cost control. Adoption of the strategy therefore supports **value for money**, enables early intervention to minimise lifecycle costs, and ensures that housing assets remain sustainable within the available financial resources of the HRA.

Summary of legal implications

15. Approval and implementation of the Asset Management Strategy will support the Council in meeting its statutory and regulatory obligations as a social landlord. The strategy provides the framework necessary to maintain compliance with the **Decent Homes Standard**, the **Homes (Fitness for Human Habitation) Act 2018**, and all related health and safety legislation, including responsibilities around electrical safety, gas safety, fire safety, asbestos management, legionella, and lift safety.
 16. The strategy also ensures alignment with the **Building Safety Act 2022**, under which the Council must maintain robust safety management arrangements for its housing stock. The emphasis on accurate stock data, regular inspections, and programme-based compliance works strengthens the Council's ability to meet these duties.
 17. Forthcoming changes to the **revised Decent Homes Standard**, anticipated to take effect around 2035, will introduce additional legal requirements. The strategy incorporates allowances within the long-term investment plan to ensure preparedness for these changes and to mitigate future compliance risks
 18. For leasehold dwellings, the strategy confirms that all qualifying major works will follow the full **Section 20 consultation process** as required under the Commonhold and Leasehold Reform Act 2002 and the Service Charges (Consultation Requirements) (England) Regulations 2003. This ensures transparency, legal compliance, and proper notice to leaseholders before works are undertaken.
- Summary of human resources implications

Summary of sustainability impact

19. The Asset Management Strategy has a significant positive sustainability impact, supporting both environmental and social sustainability objectives. The strategy commits to improving the energy performance of approximately 9,600 homes, with a fully funded programme to ensure **100% of the stock achieves EPC Band C by 2030**. This includes targeted upgrades to around 2,200 homes, such as improved insulation, high heat-retention storage heaters, photovoltaics and low-energy lighting, reducing carbon emissions and helping to tackle fuel poverty.
20. Long-term planning also incorporates **£72m for post-2030 decarbonisation**, enabling further carbon-reduction measures beyond EPC C and supporting the Council's ambition to become carbon-neutral by 2030 corporately and area-wide by 2045. The current mean SAP rating of 75 already above the national local authority average provides a strong baseline for further sustainability gains.
21. The strategy strengthens environmental resilience by investing in building fabric (walls, roofs, windows and doors), reducing heat loss and prolonging the life of existing assets, which in turn reduces material consumption and waste. The focus on damp and mould prevention also has direct social sustainability benefits, supporting healthier living conditions and improving wellbeing
22. By embedding robust stock intelligence, future-proofing investment plans and aligning with resident priorities, the strategy ensures the housing portfolio remains sustainable, energy efficient and resilient in the face of climate, regulatory and financial pressures.

Summary of public health implications

23. The Asset Management Strategy has a positive public health impact by improving the safety, condition and energy performance of over 9,600 Council homes. Ensuring continued compliance with the **Decent Homes Standard** and the **Homes (Fitness for Human Habitation) Act** helps protect residents from hazards such as excess cold, structural defects, electrical risks and poor sanitation. The strategy's investment in building fabric, heating systems and insulation supports warmer, healthier homes and reduces risks associated with fuel poverty.
24. A strengthened approach to managing **damp, mould and condensation** treated as a core health and safety concern within the strategy directly contributes to improved respiratory and mental health outcomes for residents, particularly vulnerable groups such as children, older people and those with existing long-term conditions. The planned investment in EPC Band C improvements for 2,200 homes further reduces cold-related illness and promotes better indoor air quality.
25. The strategy also promotes broader determinants of health by ensuring homes are well-maintained, safe and adapted to meet residents' needs. The inclusion of £7m for aids and adaptations supports independence, reduces risk of injury, and delays or prevents moves into health and social care settings. Improvements to communal areas, compliance systems and neighbourhood safety contribute to improved wellbeing and safer living environments.
26. Overall, the strategy supports healthier homes, reduces health inequalities and strengthens the Council's role in preventing illness, supporting early intervention and improving residents' quality of life.

Summary of equality implications

27. The Asset Management Strategy has a positive equality impact by improving the quality, safety and accessibility of homes across the Council's housing stock. Investment in building safety, energy efficiency and component renewal supports all

residents but has **particular benefits for groups with protected characteristics**, including older people, disabled residents, families with young children and those on low incomes, who are more likely to be affected by cold, damp, poor housing conditions or fuel poverty.

28. The strategy includes a strengthened approach to **damp and mould**, which can disproportionately affect people with respiratory conditions, children and pregnant women. It also introduces a specific commitment to improving data and planning around **adapted properties**, alongside a £7m programme for aids and adaptations, helping ensure disabled residents can live safely and independently at home.
29. Achieving **EPC Band C for 100% of homes by 2030** will reduce heating costs and improve thermal comfort, supporting low-income households and vulnerable groups who face greater health risks from cold homes. Improvements to compliance, building safety and neighbourhood safety also help address inequalities experienced by residents living in higher-risk properties.
30. The strategy is informed by tenant consultation and ongoing Tenant Satisfaction Measures, ensuring that investment priorities reflect resident needs and supporting engagement from a diverse tenant population. The commitment to accessible communication and consultation through Section 20 processes further supports fairness for leaseholders.
31. Overall, the strategy contributes positively to advancing equality by improving housing conditions, removing barriers to independent living, reducing health inequalities and ensuring that investment is targeted based on need.

Summary of risk assessment

32. The Asset Management Strategy identifies and evaluates the key risks associated with managing approximately 9,600 HRA properties and outlines the controls in place to mitigate them. Overall, the assessment demonstrates that most risks are **low to moderate**, supported by strong stock data, near-full Decent Homes compliance, and a fully funded investment programme.
33. Key risks include potential failure to meet the **Decent Homes Standard**, stock condition data gaps, financial pressures linked to future **decarbonisation costs**, and the impact of the forthcoming revised DHS. These risks are mitigated through ongoing stock condition surveys, a detailed and costed 30-year investment plan (£638m), and targeted monitoring of HRA headroom.
34. Compliance risks such as gas safety, fire safety, electrical compliance, lifts and asbestos are assessed as low due to established internal delivery models, robust processes, and high levels of current compliance. Strong governance, supported by regular reporting to the BCP Homes Advisory Board and Cabinet, ensures early intervention in the event of non-compliance.
35. Risks associated with poor quality investment decisions, value for money, and customer satisfaction are mitigated through procurement controls, regular benchmarking, and resident consultation. The strategy also addresses risks relating to fuel poverty and thermal performance through a fully funded EPC Band C programme to 2030.
36. Overall, the strategy provides a robust framework for managing operational, financial and compliance risks throughout its lifetime.

Background papers

None

Appendices

Appendix 1 - BCP Asset Management Strategy