

Property Investment Policy



Directorate: Property Services

Issue Date: January 2022

Revision Date: January 2025

Version: V5

Document Information

Scope:

The aims of this policy are that properties and assets owned and managed by Salix homes:

- Are regularly maintained to ensure compliance with the Decent Homes Standard 2016.
- Provide a higher standard than the Decent Homes, referenced the 'Salix Standard', which provides a higher specification to our homes.
- Our homes are maintained in line with statutory legal and regulatory requirements.
- And will be maintained in a manner compliant with relevant health and safety regulations.
- Will adhere to the Building Safety Regime as outlined in the White Paper.
- These Building Safety Regimes will link into the 'golden thread' and reviewed through the competences of our staff, contractors and supply chain.
- Will continuously work with our contractors to deliver strong contract management and use the partnering process with our framework provider Procure Plus.
- Will work closely with the Repairs and Maintenance team in getting the right balance between responsive, planned preventative maintenance, and capital maintenance Investment.
- Will continuously engage with members of Salix Homes Customer Committee (SCC) and the Scrutiny Panel.
- Will maintain our homes to achieve high levels of customer satisfaction.
- That our homes are maintained effectively and efficiently, in accordance with Salix Homes Value for Money and Investment Strategies.
- Will use the Sustainability Assessment Tool (SAT) to illustrate the overall performance of our properties to establish the Net Present Value (NPV) to then determines future investments strategies.
- Will continue to find new technologies for digitalisation.
- Will review any changes to the Standard Assessment Procedure (SAP) and the Retrofit Standards PAS2030 and PAS2035.
- Will ensure that Salix review the 30-year asset plans in readiness for the Greater Manchester Carbon Neutral targets for 2038 and National targets of 2050 and put in place an achievable strategy.

Service Standards / Performance Measures / Corporate Strategy:

Properties and assets owned and managed by Salix homes are regularly maintained to ensure compliance with the Decent Homes standard and to minimise the repairs needed and keep future running costs low:

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- All Salix Homes assets are considered as part of a planned investment programme to ensure continual compliance with the decent homes’ standard and improved ‘Salix Standards’;
- Asset information data is accurate, well maintained and easily accessible;
- Adopt a long-term, proactive, agile approach to investment with well documented, justified and transparent investment decisions;
- Efficient procurement and delivery of works and services;
- Responsive repairs analysis is current and incorporated into the maintenance strategy;
- Enquiries regarding assets are responded to in a timely manner.

Properties are maintained in line with statutory requirements:

- Salix Homes will ensure that the Asset Management Strategy makes a positive contribution to the Corporate Plan;
- Salix Homes asset standards are regularly reviewed against current regulatory standards;
- Salix Homes will ensure that leaseholders are correctly consulted with in relation to qualifying works and qualifying agreements as defined in Section 20 of the Landlord and Tenant Act 1985 as amended by the Common hold and Leasehold Reform Act 2002;
- Report Decency statistics from our Asset Management database to our regulator at the end of each financial year and are committed to keeping this to 100% through these planned programmes;
- Tenant refusals for surveys and major works will be recorded on the asset management database and reported to the Compliance Team to resolve underlying reasons for refusal.
- Properties that are scheduled for stock condition surveys are now carried out by a Retrofit Assessor to carry out ‘Whole House’ approach in line with PAS2030 and PAS2035 requirements for carbon neutral targets;
- To ensure compliance in line with Building Safety Regime.

Planned works are delivered with high levels of customer satisfaction:

- Maximise the impact of our investment in terms of the quality and sustainability of our assets, and satisfaction and wellbeing of our residents;
- Review our approach to customer engagement and create a Customer Engagement Strategy with the SCC;
- Customer satisfaction regularly reviewed and applicable, identified improvements implemented;
- Offer residents choice in component design and colours for elements such as kitchens and bathrooms;
- Customer complaints regularly reviewed and applicable, identified improvements implemented;
- Use Salix Homes Compensation Policy as and when needed;
- Continue to find new ways of introducing digitalisation for our customers such as IP systems for high rise blocks;
- Planned maintenance specifications are regularly reviewed against customer expectations and applicable to identify improvements and implement.

Planned maintenance works are conducted in a manner compliant with applicable building safety and health and safety regulations:

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- Provide clarity to our contractors and suppliers on our expectations and requirements for the management of health, safety and wellbeing in line with Building Safety compliance;
- Manage employees training skills so that person has the ability/knowledge to perform a task safely in line with Building Safety compliance;
- Works programmed and planned in conjunction with current safety and regulatory requirements;
- Programme works are regularly assessed in relation to health and safety;
- Salix Homes will engage and collaborate with our contractors and stakeholders and performance monitored, reviewed and reported;
- Salix Homes will ensure health and safety compliance of our residents and properties remains of prime importance.

Property Investment works are delivered effectively and efficiently, in accordance with Salix Homes value for money and Investment Strategies:

- Salix Homes will obtain value for money through careful investment in our housing stock;
- Continue to use the Sustainability Assessment Tool (SAT) to review the stock portfolio and establish the Net Present Value (NPV);
- Works programmed to be delivered in an efficient and cost-effective manner, whilst ensuring that high levels of customer service are maintained;
- Specifications are developed in accordance with Salix Homes approach to providing value for money for its customers;
- Contracts are awarded to organisations in accordance with Salix Homes Procurement Policy.

Risks:

- Risk:** Out of date / inaccurate stock condition information
Mitigation: Systematic collection and regular updating of asset management system
Officer Responsible: Building Data Manager / Property Investment Manager
- Risk:** Statutory requirements not met
Mitigation: Continual monitoring of compliance against requirements as part of performance framework
Officer Responsible: Building Data Manager / Property Investment Manager
- Risk:** Planned maintenance programmes do not reflect customer priorities
Mitigation: Formal customer feedback processes influence development, delivery and evaluation of planned maintenance programmes
Officer Responsible: Building Data Manager / Property Investment Manager
- Risk:** Planned maintenance programmes are not delivered safely
Mitigation: Regular audits will be undertaken, and necessary remedial actions implemented to ensure regulatory requirements are being adhered to
Officer Responsible: Building Data Manager / Property Investment Manager / Health & Safety Manager
- Risk:** Planned maintenance programmes do not deliver value for money
Mitigation: Responsive Repairs and Maintenance works will be regularly monitored as part

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of Salix Homes Annual Value for Money Self-Assessment and amendments to working practices and approaches amended accordingly

Officer Responsible: Building Data Manager / Property Investment Manager

The relevant strategic risks and mitigating controls relating to this policy are as follows:

SR04 Failure to comply with health and safety obligations as an employer

As part of this risk, the following mitigating controls are in place:

- 1. Robust Health and Safety Policy and Procedures are in place which cover all statutory obligations
- 2. Health and safety performance framework in place with suite of approved health and safety performance indicators
- 3. Incident reporting procedure in place
- 4. Salix continues to hold certification to BS OHSAS 18001 (ISO 45001)
- 5. Salix continues to hold certification to Contractors Health and Safety Assessment Scheme (CHAS)
- 6. Achieved ISO45001 status

SR36: Failure to manage assets to comply with agreed standard and produce the planned financial and social returns

As part of this risk, the following mitigating controls are in place:

- 1. Asset management strategy, policies and procedures in place with monthly financial monitoring of the investment programme ensuring forecasts are in-line with the organisations current business plan
- 2. High level (>90%) of full stock condition surveys to increase the accuracy of the organisations thirty-year asset investment plan
- 3. Use of new Asset Performance Evaluation model to identify poorly performing stock
- 4. Regular monitoring and reporting of property KPI Dashboard to SMT and Board
- 5. Mandatory Occurrence Reporting spreadsheet in place for hi-rise buildings over 15m, capturing causation issues, points of investigation, resolution and reporting to regulator
- 6. Home Safety Checks

Related Policy/Procedure & Documents:

- Asset Management Strategy
- Customer Feedback and Complaints Policy & Procedure
- Empty Property Procedure
- Aids and Adaptations Policy
- Asbestos Policy
- Procurement Policy
- Value for Money Strategy
- Investment Strategy
- Corporate Plan

Related Legislation / Relevant Regulation:

Salix Homes is required to comply with statutory requirements and rules and guidance issued

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<p>by the Government and its departments. The following is a non-exhaustive list of legislation relevant to this policy:</p> <ul style="list-style-type: none"> • Public Contracts Regulation 2015 • The Public Procurement (Amendments, Repeals & Revocations) Regulation 2016 • Concession Contracts Regulation 2016 • Building Regulations 2010 • Commonhold & Leasehold Reform Act 2002 (being updated 20/04/20) • Section 11 of the Landlord and Tenant Act 1985 • Environmental Protection Act 1990 • The secure tenants (Right to Repair) Regulations 1994 • Health and Safety at Work Act 1974 • Value for Money Standard 2018 • Home Standard 2015 • Tenant Involvement and Empowerment Standard 2017 • Climate Change Act 2008 • PAS2030 and PAS2045 standards • Building Safety Bill 	
Retention & Legal Basis for Storage:	
<p>The legal basis for processing for all Salix Homes activities are stored within the Information Asset Register.</p> <p>The retention period for all Salix Homes activities are stored within the Data Retention Schedule.</p>	
Stakeholders:	
<p>During the review of this policy, only minor amendments were made, therefore, stakeholder consultation was not required.</p>	
Data Protection Impact Assessment (DPIA)	
Attached	
Equality Impact Assessment (EIA)	
Attached	

Introduction

1. This Property Investment policy will ensure that all Salix customers will;
 - be safe in their homes;
 - have customer complaints dealt with promptly and fairly;
 - be treated with respect;
 - have customers voices heard;
 - have good quality homes and neighbourhoods to live in.
2. To ensure support to the Salix Homes Asset Management Strategy for the Investment of its assets, making sure the policy is robust in its definition and overview of the newly formed

'Salix Standard' and the assumptions used in setting the component lifecycles.

- 3. To ensure the asset management database is fit for purpose and holds sufficient, accurate, and up-to-date information.
- 4. To ensure the long-term viability of Salix assets to serve the community for future generations.
- 5. To ensure the views of customers are sought to ensure that Salix is providing homes and neighbourhoods people want to live in.
- 6. To ensure that its statutory duties to ensure reasonable standards of Health and Safety, Asbestos Management, Fire, Legionella Management and Building Safety are adhered.
- 7. To identify and plan alternative proposals to stock where there are concerns surrounding present and future major repairs.
- 8. To ensure that leaseholders and Recognised Tenant Associations (RTAs) are correctly consulted with in relation to qualifying works and qualifying agreements as defined in Section 20 of the Landlord and Tenant Act 1985 as amended by the Common hold and Leasehold Reform Act 2002 but still commonly referred to as Section 20 Consultation.

Salix Homes will ensure that:

- 9. Properties and assets owned and managed by Salix homes are regularly maintained to ensure compliance with the Decent Homes standard
 - Salix Homes will ensure its properties and assets are effectively maintained through regular investment in the replacement and / or refurbishment of key components to ensure that properties are safe, meet current regulatory requirements, are in a reasonable state of repair, have reasonably modern facilities and are reasonably energy efficient.
 - The Salix Standard was introduced in 2015, in consultation with our customers, to provide a higher standard than the Governments Decent Homes Standard. The Salix Standard initially included additional decoration in properties where major refurbishment was required. We will maintain our current standard where any major refurbishment work is carried out however, we will review our approach in line with any proposals put forward by government.
- 10. Properties are maintained in line with statutory requirements
 - Properties and assets owned and managed by Salix Homes will regularly have their components reviewed against all applicable legislation to ensure they meet regulatory requirements.
- 11. Property investment works are delivered with high levels of customer satisfaction
 - Salix Homes will ensure that planned investment plans and subsequent delivery of these plans are developed in line with customer expectations. This will involve understanding customer preferences working with the Salix

Homes Customer Committee (SCC) to enable wider stakeholders' engagement to influence the investment programmes.

12. Property investment works are conducted in a manner compliant with applicable health and safety regulations
 - Salix Homes will ensure that property investment works are planned to maintain assets in a good state of repair and ensure that statutory requirements are met. In addition, Salix Homes will ensure that all works are undertaken in a manner compliant with applicable building safety and health and safety legislation.
 - Salix Homes will set on the tone and ethos for our Health, Safety and Wellbeing through safe strategic principles, commitments for all projects.

13. Property investment works are delivered effectively and efficiently in accordance with Salix Homes Value for Money and Investment Strategies
 - Salix Homes will ensure works are programmed to be delivered in an efficient and cost-effective manner, whilst ensuring that high levels of customer service are maintained
 - Salix Homes will ensure that planned works are programmed in an efficient manner that makes best use of available resources including the use of the Sustainability Assessment Tool (SAT) to review the stock portfolio on an annual basis to establish the Net Present Value (NPV) and determine if a intervention strategy is required.

14. Salix Homes will ensure that all works contracted / purchased will be done in accordance with Salix Homes Procurement Policy.

Appendix 1 – Component Lifecycles

Element	Component	T1_Repair	Lifecycle
Ancillary Structures	Garage Walls	Replace garage walls	85
Ancillary Structures	Porch Walls	Replace porch walls	65
Ancillary Structures	Outbuilding Windows	Replace Outbuilding Windows	30
Ancillary Structures	Outbuilding Walls	Replace outbuilding walls - Pointed/Render	50
Ancillary Structures	Porch Roof	Replace porch roof	60
Ancillary Structures	Outbuilding Roof	Replace outbuilding roof - Flat/Pitched	50
Ancillary Structures	Outbuilding Doors	Replace outbuilding doors - All Types	30
Ancillary Structures	Garage Roof	Replace garage roof	20
Ancillary Structures	Garage Doors	Replace garage door	26
Balconies and canopies	Front Door Canopy	Replace Front Door Canopy	35
Balconies and canopies	Front Door Canopy	Replace Curtain Walling Canopy	30
Balconies and canopies	Side Door Canopy	Replace Side Door Canopy	35
Balconies and canopies	Balcony - Walkway Floor	Replace Balcony/Walkway Floor - Deck	25
Balconies and canopies	Balcony - Walkway Floor	Replace balcony finish - Individual	25
Balconies and canopies	Balcony balustrading	Replace balustrading/Railings - All Types	25
Bathroom	Bathroom Facilities	Replace Downstairs Wet Room	35
Bathroom	Sec WC	Replace Additional w.c	30
Bathroom	Bathroom Facilities	Replace Bathroom	35
Doors	Rear Door Secure	Make Rear Access Door Secure	30
Doors	Flood Door	Replace Flood Door	30
Doors	Flood Barrier	Replace Flood Barrier	30
Doors	Rear Door Material	Replace rear door	30

Doors	Balcony/Patio doors	Replace Balcony/Patio doors	30
Doors	Flat access door #	Replace flat access door	35
Doors	Front Access Door Material	Replace front door	30
Eaves and Drainage	Rainwater Goods	Replace With PVCU Rainwater Goods	35
Eaves and Drainage	Fascia's / Soffits / Bargeboards	Replace fascia/soffits/bargeboards	35
Eaves and Drainage	Sanitary Pipework	Replace Sanitary Pipework	30
Electrics	Extract Fans	Replace Extract Fan Kitchen	20
Electrics	Consumer Unit	Replace Consumer Unit	25
Electrics	Wiring	Full rewire	50
Electrics	Extract Fans	Replace Mechanical Ventilation	20
Electrics	Wiring	Electrical test required	5
Electrics	Wiring	Upgrade existing wiring	25
Electrics	Security alarm system	Replace alarm system	20
Electrics	Security alarm system	Test alarm system	10
Environmentals	Side Boundary	Replace side boundary	40
Environmentals	External Painting	Paint Externals	10
Environmentals	Vehicle Access Gates	Replace Vehicle Gates	40
Environmentals	Front Boundary	Replace Timber Fence Front	20
Environmentals	Front Boundary	Replace Brick Wall Front	40
Environmentals	Rear Boundary	Replace Brick Wall Rear	40
Environmentals	Front Boundary	Replace Steel Fence Front	30
Environmentals	Rear Boundary	Replace Steel Fence Rear	30
Environmentals	Rear Boundary	Replace Timber Fence Rear	20
Environmentals	Paths/hardstanding's	Replace Path/hardstanding's - All types	35
Environmentals	Gates	Replace Steel Single Gate	30
Environmentals	Hard standing	Replace hard standing	35
Environmentals	Gates	Replace Timber Single Gate	20
External Walls	External Wall Insulation	Apply Cavity External Wall Insulation	40
External Walls	External Wall Finish Material	Replace External Wall Finish Brick and Mortar	55
External Walls	External Wall Finish Material	Replace External Wall Finish Hung Tile / Slate	40
External Walls	External Wall Finish Material	Replace External Wall Finish UPVC Cladding	30
External Walls	External Wall Finish Material	Replace External Wall Finish Rendered	50
External Walls	External Wall Finish Material	Replace External Wall Finish Timber Cladding	30
External Walls	External Wall Finish Material	Replace External Wall Finish Concrete Panel	50
External Walls	External Wall Insulation	Install Solid Wall Insulation - House	40
External Walls	External Wall Insulation	Install Solid Wall Insulation - HR Flats	40
External Walls	Secondary Wall Finish	Replace Secondary Wall Finish	40
External Walls	External Wall Finish Material	Replace External Wall Finish Other	40
External Walls	External Wall Insulation	Install Solid Wall Insulation - LR Flats	40
External Walls	Spalling Brickwork	Repair spalling brickwork	40
External Walls	External Walls Construction Material #	Replace external walls	80
External Windows	Window glazing type	Replace Windows	35

External Windows	External Window Frame Type	Replace With Double Glazed PVCU	25
Ground Source Heat Pump	Ground Source Heat Pump	Replace Ground Source Heat Pump	50
Health & Safety Rating	HHSRS: Asbestos (and MMF)	Encapsulate and manage	99
Health & Safety Rating	HHSRS: Adequate Sanitation	Modernise sanitation	99
Health & Safety Rating	HHSRS: Biocides	Educate resident	99
Health & Safety Rating	HHSRS: CO & Fuel combustion products	Test & replace appliances as necessary	99
Health & Safety Rating	HHSRS: Collision and entrapment	Internal alteration	99
Health & Safety Rating	HHSRS: Crowding and space	Riverside to consider options	99
Health & Safety Rating	HHSRS: Damp and Mould Growth	Damp proof as necessary	99
Health & Safety Rating	HHSRS: Domestic Hygiene, Pests & Refuse	Residents education	99
Health & Safety Rating	HHSRS: Entry by Intruders	Improve security	99
Health & Safety Rating	HHSRS: Excess heat	Educate the resident	99
Health & Safety Rating	HHSRS: Excessive Cold	Install central heating	99
Health & Safety Rating	HHSRS: Explosions	Immediate DLO response	99
Health & Safety Rating	HHSRS: Falls associated with baths	Installation of non-slip appliances	99
Health & Safety Rating	HHSRS: Falls Between Levels	Install adequate balustrading	99
Health & Safety Rating	HHSRS: Falls on Stairs	Improve balustrading	99
Health & Safety Rating	HHSRS: Falls on the Level	Consider signage	99
Health & Safety Rating	HHSRS: Fire	Rectify spot cost	99
Heating	Primary Heating Type	Replace Community Heating - Low Rise Block	15
Heating	Boiler Type	Replace HIU	15
Heating	Hot water cylinder	Replace hot water cylinder	25
Heating	Cylinder jacket	Replace cylinder jacket	20
Heating	Primary Heating Type	Replace Heating Distribution - Flat	30
Heating	Primary Heating Type	Replace Electric Heating System	20
Heating	Boiler Type	Replace GSHP Boiler	25
Heating	Boiler Type	Replace Boiler	15
Heating	Primary Heating Type	Replace Community Heating Type - High Rise Block	15
Heating	Heating Controls - Flats	Replace Heating Controls - Flats	15
Heating	Primary Heating Type	Replace Gas / Oil Radiator System	30
Heating	Secondary Heating Type	Replace secondary heating	30
Insulation	Loft Insulation	Increase Roof Insulation	30

Kitchen	Kitchen Space and Layout	Redesign Kitchen	20
Kitchen	Kitchen Size	Replace kitchen	25
Roof	Roof Structure	Structural survey re roof	99
Roof	Roof Structure	Replace roof structure	80
Roof	Chimney Material	Replace chimney	60
Roof	Main Roof Cover Material	Replace High/Medium Rise Main Roof Cover - Liquid Plastic	30
Roof	Main Roof Cover Material	Replace Flat Roof - Felt	15
Roof	Party Fire Wall	Re-instate brickwork	50
Roof	Main Roof Cover Material	Replace Main Roof Cover	70
Roof	Secondary Roof Cover Material	Replace Secondary Roof Cover Material	60
Roof	Party Fire Wall	Re-instate firestopping	80
Roof	Solar Panels	Replace Solar Panels	25
Shops	Shop to Flat Conversion	Shop to Flat Conversion	80
Shops	Shop Front	Replace Shop Front	40
Shops	Shop Fittings	Replace Shop Fittings	30
Smoke Alarms	Smoke Alarms	Install Hard Wired Smoke Alarm	10
Smoke Alarms	Heat Detector	Replace Heat Detector	10
Smoke Alarms	Smoke Alarms	Replace Battery Smoke Alarm	10
Smoke Alarms	Smoke Alarms	Replace Hard Wired Smoke Alarm	10
Soil Vent Stack	Soil Vent Stack	Replace Waste Stack High Rise	50
Soil Vent Stack	Soil Vent Stack	Replace Waste Stack	30
Sprinklers	Sprinkler System	Replace Irrigation Pipe System	40
Sprinklers	Internal Sprinkler Heads	Replace Sprinkler Heads	15