

**Uttlesford District Council
Housing**

Asset Management, Development and Growth Policy

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Document History

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Asset Management, Development and Growth Policy

1.0 POLICY STATEMENT

- 1.1 This Asset Management, Development and Growth Policy sets out the Council's overarching strategic approach for its housing portfolio; the management, maintenance, and investment in existing stock; the development of new homes on Council-owned and acquired land; the acquisition of properties to grow the portfolio; and the integration of new supply through Section 106 planning obligations and registered provider partnerships. Together these strands form a single, coherent framework for building, sustaining, and improving the Council's housing assets for current and future residents.
- 1.2 The Council is committed to a data-driven, whole-life approach to its housing assets. This means making informed decisions about where to invest in existing homes, where to build or acquire new ones, and where rationalisation or disposal is the right long-term outcome. Every decision – whether to repair, improve, develop, acquire, or dispose – will be grounded in robust financial appraisal, stock condition evidence; housing needs data to ensure the long-term viability of the Housing Revenue Account.
- 1.3 The policy and the Asset Management, Development and Growth Strategy both flow from the Council's Corporate Plan and the 30-Year HRA Business Plan and are complementary instruments: the Strategy sets the long-term direction, and the policy sets the rules and standards that deliver it. The policy is supported by a suite of operational policies covering responsive repairs, planned maintenance, capital works, compliance, voids, development, and acquisition, all of which derive their direction from this framework.

2.0 DEFINITIONS

- 2.1 Asset Management Strategy – the overarching strategic document that sets out the Council's long-term approach to managing its housing assets.
- 2.2 Net Present Value (NPV) – a financial metric used to assess the long-term viability of an asset by comparing future income against future investment costs.

- 2.3 Stock Rationalisation – the process of reviewing the housing portfolio to identify assets that may be more effectively disposed of, remodeled, or regenerated.
- 2.4 Sustainability – the ability of the housing stock to remain fit for purpose, financially viable, and environmentally responsible over the long term.
- 2.5 Development – the planning, funding, design, and delivery of new housing on Council-owned or acquired land, including regeneration of existing sites, whether delivered directly, through a development partner, or in joint venture.
- 2.6 New Build – properties newly constructed and transferred into the Council’s housing portfolio, whether delivered directly by the Council, through a registered provider, developer partner, or via Section 106 planning obligation.
- 2.7 Acquisition – the purchase of existing properties into the Council’s housing portfolio, including open market purchases, Right to Buy (RTB) re-acquisitions, stock transfers from registered providers, and ex-RTB properties returning to Council ownership.
- 2.8 Development Appraisal – a financial assessment of a proposed development or acquisition scheme evaluating scheme viability, projected NPV, cost per unit, and impact on the HRA Business Plan.
- 2.9 Section 106 Agreement – a planning obligation requiring a developer to provide affordable housing units (or a financial contribution in lieu) as a condition of planning permission.

3.0 SCOPE

3.1 This policy applies to all Council-owned housing assets managed by Uttlesford District Council, including:

- Circa 2,800 council homes (Housing Revenue Account stock)
- Garages and outbuildings associated with the housing stock
- Communal facilities (laundry rooms, community rooms, shared entrances)
- Land associated with housing developments
- Associated infrastructure (roads, drains, utilities within housing estates)
- It also applies to all proposed additions to the portfolio through:
 - New build development
 - Open market acquisition
 - Section 106 delivery
 - Right to Buy re-acquisition

3.2 This policy interfaces with the following key documents:

- HRA Business Plan (including revenue and capital budgets)
- Capital Works Policy (major works and investment programmes)
- Planned Maintenance Policy (decorative cycles, component replacement)

- HRA Asset Management, Development and Growth Strategy (long-term stock strategy)
- HRA Asset Management, Development and Growth Strategy Delivery Plan
- Homes Improvement Programme (condition survey-based works)
- Tenancy Strategy and Allocations Policy

3.3 New build, development, and acquisition activity is governed by this policy and must be appraised and approved in accordance with the Development, New Build and Acquisition framework set out at Section 10 below. This includes business case approval, viability testing, and membership scrutiny at each gateway stage.

3.4 The policy applies to all staff, contractors, and partners involved in the management, maintenance, development, and improvement of the housing stock, including the Direct Labour Organisation (DLO) where applicable.

4.0 LEGAL AND REGULATORY CONTEXT

4.1 Asset management decisions are informed by:

- Social Housing (Regulation) Act 2023
- RSH – Regulatory Standards 2024 and 2025
- Decent Homes Standard
- Housing Act 1985
- Building Safety Act 2022
- Climate Change Act 2008
- Equality Act 2010
- Local Government Act 2003 (prudential borrowing)
- Housing and Planning Act 2016
- Town and Country Planning Act 1990 (Section 106 obligations)
- Right to Buy (Housing Act 1985, Part V) – receipts policy and re-investment rules
- Homes England design guidance and investment criteria
- National Planning Policy Framework (affordable housing requirements)
- Future Homes Standard for New Builds
- Environment Act 2021
- Landlord and Tenant Act 1985

5.0 POLICY OBJECTIVES

5.1 The objectives of this policy are to:

- Ensure the housing portfolio is managed strategically to meet current and future housing need within the Uttlesford District Council area
- Maintain all assets to at least the current Decent Homes Standard and any subsequent revision

- Optimise the financial performance of the housing portfolio through informed investment decisions
- Identify underperforming assets and take appropriate action (invest, remodel, or dispose)
- Contribute to the Council's Biodiversity, net zero carbon and sustainability targets
- Ensure decision-making is data-driven, using stock condition, energy, financial data and meets local housing need.
- Support the long-term financial viability of the HRA Business Plan
- Grow the housing portfolio through new build development, acquisition, and Section 106 delivery where this is viable and supports housing need
- Ensure all new additions to the portfolio meet the Council's design, energy, and quality standards and are integrated into the asset management framework from day one
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6.0 ASSET PERFORMANCE ASSESSMENT

6.1 The Council will assess the performance of its housing assets using a range of indicators including:

- Net Present Value (NPV) analysis
- Stock condition and investment need
- Energy performance (EPC rating)
- Demand and lettable (void turnaround, refusal rates)
- Responsive repair costs per property
- Neighbourhood sustainability indicators
- Resident satisfaction

7.0 INVESTMENT DECISION FRAMEWORK

7.1 The Council will apply a tiered decision-making framework to its assets:

- Tier 1 (Invest) – properties with positive NPV, strong demand, and sustainable investment need
- Tier 2 (Review) – properties with marginal NPV or significant investment need requiring further appraisal
- Tier 3 (Dispose/Remodel) – properties with negative NPV, low demand, or exceptional investment need

7.2 Net Present Value (NPV) is the Council's main method for comparing the long-term financial impact of different options for an asset. It reflects that money today is worth more than money in the future, so future costs and income are adjusted ("discounted") to today's value, with later amounts reduced.

- 7.3** NPV adds up all discounted costs and income for an asset over 30 years, in line with the HRA Business Plan. This includes investment, maintenance, management costs, and rental income. It produces a single figure, allowing different options such as keeping and improving a property or selling it to be compared on a consistent basis.
- 7.4** The Council will use a consistent discount rate and assumptions for all NPV calculations, as set out in the HRA Business Plan and Delivery Plan, to ensure fair comparison. The discount rate will be reviewed regularly to reflect borrowing costs and HM Treasury guidance.
- 7.5** While NPV is a critical tool for financial assessment, it is not the only factor in decision-making. Options with a better NPV will usually be preferred, but decisions will also consider housing needs, legal duties, tenancy sustainability, neighbourhood impact, and wider strategic priorities. The Council acknowledges its role as a social landlord and the importance of balancing financial metrics with the needs of the community. NPV supports decisions but does not override them; the Council remains committed to ensuring that its investments align with its responsibilities to provide quality housing for all residents.

8.0 STOCK CONDITION DATA

- 8.1** The Council will maintain a comprehensive stock condition database with 100% survey coverage no more than 5 years old.
- 8.2** Stock condition data will inform the 30-year HRA Business plan and annual programme priorities.
- 8.3** Data will be validated through ongoing survey activity and updated upon completion of works.

9.0 ENERGY AND SUSTAINABILITY

- 9.1** The Council will develop and deliver an energy efficiency improvement programme to achieve a minimum EPC Band C across all stock by the target date.
- 9.2** Investment in energy efficiency will be integrated into planned maintenance and capital works programmes.
- 9.3** The Council will actively pursue external funding opportunities to support decarbonisation objectives.

10.0 DEVELOPMENT, NEW BUILD AND ACQUISITION

- 10.1** The Council recognises that maintaining and improving its existing stock is only part of its asset management responsibility. Growing the portfolio through new build development, open market acquisition, and Section 106 delivery is an equally important lever for meeting housing needs, improving tenure mix, and strengthening the long-term viability of the HRA.

New Build Development

- 10.2** The Council will develop new social housing on Council-owned land where this is financially viable, strategically justified, and consistent with planning policy.

Development may be delivered directly by the Council, through a development partner, or in joint venture with a registered provider utilising Homes England grant-funded programmes where possible.

- 10.3 All new build schemes will be subject to a full due diligence and risk assessment as well as a full financial appraisal prior to commitment, assessing scheme viability, NPV, cost per unit, energy performance, and impact on the 30-year HRA Business Plan. Schemes must demonstrate a positive contribution to the HRA or receive specific Cabinet approval if the business case is marginal.
- 10.4 All new build properties must be designed and built to the Council's Design and Quality Standard, which will as a minimum require:
- A minimum EPC Band B, targeting Band A or net zero carbon where practicable
 - Delivering homes that meet the Nationally Described Space Standard
 - Adaptable design meeting M4(2) accessibility standard as a minimum, M4(3) wheelchair accessible where demand exists
 - Building Safety Act 2022 compliance from design stage
 - Component specifications consistent with the Council's planned maintenance lifecycle model, avoiding bespoke items that increase future maintenance cost
- 10.5 A defects liability period of a minimum of 12 months will be included in all new build contracts. A formal handover process will transfer the property into the asset management framework, including registration on the stock condition database, compliance certification and landlord's energy assessment.

Delivery of new build affordable homes via Section 106 agreements

- 10.6 The Council will proactively monitor planning applications within the district to identify Section 106 affordable housing obligations which are required to be provided in accordance with the adopted 'Developer Contributions – SPG MARCH 2023. We will assess whether units should be offered to a registered provider, taken into Council ownership or whether appropriate to be provided in lieu of a commuted sum.
- 10.7 Section 106 agreement, schemes will be appraised against the Council's Design and Quality Standard prior to agreement to acquire. Homes that do not meet the standard may be accepted subject to a negotiated specification of uplift at the developer's cost or with a reduced transfer price, subject to a revised financial appraisal. The Council will not accept Section 106 units that are materially below standard and would create a significant maintenance or energy efficiency liability.
- 10.8 Nomination agreements will be negotiated to secure the Council's allocation policy requirements for all homes provided by way of a S106 agreement i.e.: the planning policy compliant percentage of affordable homes required to be provided on any given site.

Acquisition

- 10.9 The Council will consider the acquisition of properties where this represents good value for money, addresses identified housing need and produces a viable HRA return. Acquisition routes include:
- Open market purchase – where a property meets the Council’s acquisition criteria in terms of location, size, type, condition, and cost
 - Right to Buy re-acquisition – purchasing former Council properties that have been sold under RTB and returned to the market, utilising RTB capital receipts within the statutory reinvestment rules
 - Stock transfer from registered providers – where another social landlord seeks to transfer housing in the Uttlesford area to the Council, subject to due diligence on stock condition and financial viability
 - Empty Homes acquisition – purchasing long-term empty properties (including through compulsory purchase where necessary) to bring them back into use as social housing
- 10.10 All acquisitions will be subject to a pre-purchase survey, valuation, and financial appraisal. Properties with significant structural defects, asbestos, or other material liabilities will only be acquired if the cost of remediation is factored into the acquisition price and the overall scheme remains viable and are capable of being meeting the Decent Homes Standard and legal & regulatory requirements. A post-acquisition condition assessment will be completed within 10 working days of legal completion.
- 10.11 Acquisition targets will be set annually as part of the HRA Business Plan and will be informed by housing needs assessment data; RTB receipts available for reinvestment; the Council’s borrowing capacity; and prevailing property market conditions in the Uttlesford area.

Integration into the Asset Management Database

- 10.12 Every property added to the portfolio – whether through new build, Section 106, or acquisition – must be fully integrated into the asset management database before occupation. This requires:
- Registration on the stock condition database with a full condition record
 - A current EPC lodged on the national register
 - All statutory compliance certificates in place (gas, electrical, fire, asbestos, water hygiene as applicable)
 - The property placed in the planned maintenance and cyclical programme
 - An NPV assessment completed and the property assigned to the appropriate investment tier
 - The property included in the housing management system with all relevant property, tenancy, and contact data

11.0 WIDER PUBLIC REALM AND SHARED ASSETS

- 11.1** The Council's housing assets often include more than just homes. They can also cover estate roads, paths, parking, garages, green spaces, trees, play areas, lighting and drainage systems. This policy treats these as part of the overall asset and manages them alongside the homes.
- 11.2** The Council will keep a complete and accurate asset register covering homes, land, and infrastructure, including ownership, adoption status, and maintenance responsibility, checked against legal records.
- 11.3** Where roads, drainage, or services are not adopted by a public authority, the Council remains responsible, and costs fall to the HRA. All costs for maintaining and renewing these wider assets will be fully captured and included in financial appraisals (NPV), so decisions reflect the true cost of the whole estate.
- 11.5** Where practical, the Council will seek to have roads, drainage, and services adopted by the relevant authority, with appropriate financial contributions, to reduce long-term HRA liabilities.
- 11.6** Where costs are shared between different tenures or funding sources (e.g. HRA and General Fund), they will be fairly and transparently allocated and recovered through service charges where allowed.
- 11.7** The wider estate will be assessed at estate or neighbourhood level, not just by individual property, to properly reflect its overall cost and value in investment decisions.
- 11.8** Well-maintained spaces support neighbourhood quality, tenant satisfaction, and the value of the Council's housing. They also help meet regulatory standards and environmental responsibilities, including biodiversity and net zero commitments. These will be planned and funded as a core part of asset management.

12.0 PERFORMANCE MANAGEMENT

% of stock meeting Decent Homes Standard	100%	Annual
Average EPC rating	Band C minimum	Annual
Stock condition data currency	100% ≤5 years old	Annual
NPV analysis completed for all stock	100%	Annual and when new stock is added to the property portfolio
HRA Business Plan – 30-year viability	Viable	Annual
Responsive repair cost per property	Reducing trend	Annual
New build completions delivered (against annual target)	Per HRA Business Plan target	Annual
Acquisitions completed (open market and RTB re-acquisition)	Per HRA Business Plan target	Annual

Section 106 units appraised and decision made within 20 working days of notification	100%	Quarterly
New additions to portfolio fully integrated into asset management framework within 10 working days of handover	100%	Quarterly

13.0 EQUALITY, DIVERSITY AND INCLUSION

- 13.1 Asset management decisions will consider the impact on residents with protected characteristics.
- 13.2 Where disposal or remodeling is proposed, a full Equality Impact Assessment will be carried out and affected residents will be consulted and supported through the process.

14.0 RESIDENT ENGAGEMENT, CONSULTATION AND ENGAGEMENT

- 14.1 Residents are central to this policy, with the Council committed to engaging, listening to, and involving tenants and leaseholders in decisions about their homes, neighbourhoods, and investment priorities. In line with regulatory standards and its commitment to putting residents first, the Council will ensure residents have a meaningful voice in shaping investment decisions, housing standards, and new developments. It will offer a range of flexible engagement opportunities including panels, surveys, and local engagement sessions—so residents can participate in ways that suit their needs. Engagement will be inclusive and accessible, with reasonable adjustments and targeted efforts to reach underrepresented and vulnerable groups, ensuring all voices are heard.
- 14.2 The Council will engage with residents early and transparently on significant changes, such as major works or regeneration, meeting all legal requirements and best practice. Residents will be kept informed, supported through disruption, and treated fairly. Importantly, the Council will demonstrate how feedback influences decisions, explaining outcomes clearly and honestly. It will monitor and improve its approach by using feedback, complaints, and satisfaction data, and will remain accountable to residents through governance arrangements and the Tenant and Leaseholder Panel.

15.0 COMPLAINTS HANDLING

- 15.1 Complaints relating to asset management decisions shall follow the Council's corporate complaints policy.

16.0 RISK MANAGEMENT

- 16.1 Key risks include inaccurate stock data leading to poor investment decisions, insufficient funding to meet investment need, and failure to meet Decent Homes or energy efficiency targets.

- 16.2 Risks are managed through the HRA risk register, regular business plan stress-testing, and annual programme reviews.

17.0 ASSOCIATED DOCUMENTS

- 17.1 This policy should be read in conjunction with:

- Asset Management Strategy
- 30 Year HRA Business Plan
- Capital Works Policy
- Planned Maintenance Policy
- Voids Policy
- Energy Efficiency Strategy
- Development and Acquisition Strategy
- Design and Quality Standard
- Allocations Policy
- Empty Homes Policy

LINK TO CORPORATE PLAN PRIORITIES

Putting residents first	Yes
Protecting and enhancing our environment	Yes
Building strong communities	Yes
Encouraging economic growth	Yes

CONTEXTUAL INFORMATION

POLICY MONITORING

The policy will be monitored by the Strategic Director, Housing, Environment and Communities. The policy should be reviewed on an annual basis to ensure that compliance is achieved.

This policy will be reviewed every 3 years or if there are any major changes in legislation that may impact this policy.

CHANGE & MODIFICATION

Modification

Minor changes signed by the service Director. Substantial changes referred to CMT and will follow the governance process for approval.

Change

The Strategic Director shall be responsible for policy review in line with best practice and legislation.

