



Report to:

Northwards Housing Board
12th December 2006

Item No:

12e

Title: Northwards Housing Asset Management Strategy and Action Plan

Date: 18th October 2006

Author: Larry Patrick **Tel No:** 0161 227 3014

E mail: l.patrick@northwardshousing.co.uk

Confidential: No

For: (Please tick action required)	NOTING	DISCUSSION	APPROVAL
	√	√	√

PURPOSE OF REPORT

The report proposes a comprehensive Asset Management Strategy (AMS) and Action Plan for maintaining the physical quality of Northwards Housing managed stock, associated environment and identifies proactive measures to respond to changes in housing demand.

The AMS sets out strategic objectives and the component actions required for monitoring and achieving these. It also details the planning and other processes that will ensure that objectives reflect the views of tenants, the local authority and other stakeholders; and ensure that service delivery across responsive and planned investment is continually improved and offers best value for money and service excellence. The Short, Medium and Long-Term strategic objectives are set out in the Action Plan, together with timescales and accountability structures.

RECOMMENDATION

The Board instructs that the Director of Property Services implements the Asset Management Strategy and reports back to the Board annually on implementation, progress and achievement of strategic goals.

IMPLICATIONS

Equality & Diversity:	New measures to monitor Equality and Diversity are set out in the AMS
Financial:	The AMS does not change current income and expenditure plans
Staffing:	No changes to current staffing levels or structures arise from the AMS
Decency Target:	No changes to the Decent Homes programme arise from the AMS
Governance:	The AMS strengthens accountability to Board on the overall direction and progress of Asset Management
Risk Assessment:	Implementation of measures in the AMS improves the identification of business risks and helps manage these risks

Equality & Diversity Implications (Please tick where relevant):

BME	<input checked="" type="checkbox"/>	Lesbian/Gay/Bisexual/Transgender	<input checked="" type="checkbox"/>
Elderly	<input checked="" type="checkbox"/>	Single Parents	<input checked="" type="checkbox"/>
Young	<input checked="" type="checkbox"/>	Domestic Violence	<input checked="" type="checkbox"/>
Disability	<input checked="" type="checkbox"/>	Alcohol / Drug Mis-users	<input checked="" type="checkbox"/>

Consultation/Consideration:

	Yes, No or N/A:	Name:	Date:
Sub-Committee:	N/A		
Area Panel:	N/A		
Ward Councillors:	N/A		

DRAFT ASSET MANAGEMENT

STRATEGY (TEMPLATE)

NORTHWARDS HOUSING

NOVEMBER 2006

EXECUTIVE SUMMARY

1.0 BACKGROUND, INTRODUCTION AND ASSET PROFILE

1.1 What is an Asset Management Strategy?

An Asset Management Strategy (AMS) is an overarching statement of objectives and goals, issues, processes and action priorities for ensuring that all the current and future Northwards Housing resources are applied to delivering effective management and maintenance of all housing and land assets, and which provide the best service and value for money and customer satisfaction within the delivery of those services. It describes how processes and planning are pragmatic, affordable, improving and focused on **contributing to delivery of key objectives** including (in particular) the relevant Northwards Housing corporate objectives:

1.1.1 (1) Warm, safe and affordable homes

1.1.2 (2) Successful communities

1.1.3 (3) Quality services

1.1.4 (4) Value for money

1.1.5 (5) Safer places to live

1.1.6 (6) An attractive environment

1.1.7 (7) Promote equality and diversity

1.2 The AMS also responds to Audit Commission's Inspection Recommendations;

1.2.1 R1 Asbestos Management

1.2.2 R2 Stock Condition Database, link Responsive and Planned Processes.

1.2.3 R3 Improvement in Responsive Repairs Efficiency.

1.3 In designing the service delivery, improvement plans and strategic approach, an AMS helps demonstrating meeting the requirements of Key Lines of Enquiry (KLOE) especially;

- KLOE3 Stock Investment - Asset Management all sections
- KLOE 5 Resident Involvement – development of strategy, policy, service standards, access, investment priority, diversity etc
- KLOE 6 Tenancy and Estate Management – see estate management and void property Management sections
- KLOE 12 Management of Leasehold/RTB – sustainability – sinking funds works to common parts, etc

- KLOE 13 Housing Regeneration and Neighbourhood Renewal - addresses design, tenure and condition aspects of **N&NR?**
- KLOE 30 Access and Customer Care – service sensitivity - complaints
- KLOE 31 Diversity
- KLOE 32 Value for Money

1.4 The Stock

General statement of nos. units, areas of operation, broad age profile, lettings profile.

- 1.5** Analysis by number, age, type, location, average turnover, void period, void spend, response spend, planned spend, other non-RSL stock condition, demand, trends assessment, % O/OCC, private rent, other RSL activity (by LAP, investment area/cost centre). (refer to Self Assessment Questionnaire produced for AC Inspectors)

1.6 Review of Demand

Current Demand (baseline)

- Summary of property shortages by type/location/tenure
- Summary of oversupply as above
- Declining demand by type
- Key issues – neighbour nuisance/crime/facilities/transport/image etc driving demand.

And Future Demand from:

- Homeless families
- Key workers
- Traditional client group
- Lower/middle income employed
- Shared ownership/flexible tenure
- Move on/short life/asylum seekers
- Economic migrants

Is there a need to:

Market dwellings to a wider customer base?

How would this be achieved?

1.7 Stock Valuation and Right to Buy Sales

Overall valuation £ (***Awaiting valuations from MCC***)

Average unit value £

High/medium/low value areas/types

Declining value areas/types

Increasing value areas/types

Date of valuation, methodology, proposals for updating – how information is used – e.g. as part of neighbourhood sustainability indicators – to identify future trends for business planning by property archetype, area etc

1.8 Stock Condition Survey, Database and the Building Cost Model

Need for stock condition survey (design, methodology, sampling etc), database, how it will be updated and verified, capture of responsive information, Health and Safety data and use, PI production, investment analysis, life cycle costs and modelling tool, investment programme design, investment prioritisation, central role in business planning, operational control, operational planning etc –

Insert Schematic of information in and out of SCDB

Production of information for:

Building Cost Model – Incorporation and role of BCM in organisational business planning structures, procedures and control – relationship with stock condition database, - long term business planning and description of

Stock Condition Summary

Summary of condition and projections for: e.g.

% meeting or failing the Decent Homes Standard

% with full c/h

Modern kitchens/bathrooms

Double glazing

Insulation

Summary of key internal/external/estate investment needs expressed as £'s and numbers of components

Identify any investment/funding shortfall based on total investment requirement and Council/ALMO ability to fund from income.

1.9 Customer Perceptions – Resident Involvement in Asset Management Strategy, Investment Prioritisation and Operational Policy and Priority, Meeting Diversity and Equality Needs

Resume of Tenant satisfaction survey findings and priorities for action, PI by service area as baseline – e.g. Tenant Survey Results, Responsive Satisfaction Review, Planned Programmes, and Description of Resident Influencing processes outcome monitoring etc

1.10 Strategic Issues

Analysis of stock, value and condition, demand (SWAT Analysis and Sustainability Monitoring), customer perception, Issues to be addressed – AC recommendations, Performance Priorities, Health and Safety, Stock Condition Database, Building Cost Model, Contingencies and planning to respond to DCLG Pressures to extend

decent homes deadlines. Key service performance challenges, responsive PI and Spend, Void management.

2 ASSET MANAGEMENT STRATEGY

STRATEGIC GOALS

Northwards Housing corporate goals are significant for Asset Management and are easily supported by strategic asset management goals and objectives. An array of key Strategic Asset Management Goals have been chosen to compliment and support corporate aspirations and they have also been chosen to;

- Cover all aspects of Asset Management Strategic Direction and Areas of Operation
- Are Key headline measures of performance that support the Business Plan
- Enable progress and performance on asset management strategic priorities to be clearly identified and measured by Board.
- Are output focused not outcome focused
- Balance financial, operational and customer measures
- Enable discrete asset management processes and investment to be assessed against strategic measures
- Are **SMART**

SUGGESTED GOALS MAY INCLUDE:

RESPONSIVE

- Reduce responsive spend from X/Unit/Year to Y/Unit/Year
- Increase proportionate expenditure in planned cyclical revenue activity from X per Unit/Year to Y per Unit/Year

CAPITAL AND PROGRAMMES ACTIVITY

- Meeting and exceeding decent homes standards (including SAP) by 2010
- Plan and deliver long term, financially sustainable delivery plans for future component renewals via smoothed investment programmes which are reconciled within NH Business Plan and financial provisions.
- Demonstrate best outcomes from available resources in the short, medium and long term.

SERVICE EXCELLENCE

- Achieve X% right first time DTD and Y% capital works outcomes

MAINTAINING DEMAND

- Systematically analyse and respond to the “worse performing 5%” of stock promote tenure diversity, inward investment and new build in our communities via development of neighbourhood plans.
- Integrated with AMS, **CRS**

OTHERS

- Achieve full resident involvement at appropriate levels of AMS and action plan
- Ensuring equality and diversity throughout Asset Management.

2.1 Summary of historic investment programmes

£xx p.a. spend on responsive maintenance = xx repairs

£xx p.a. spend on void repairs = xx voids

£xx p.a. spend on cyclical servicing

£xx p.a. spend on planned maintenance
(key elements)

£ p.a. spent on refurbishments = xx repairs

£ p.a. spent on remodelling = xx repairs

£ p.a. spent on development = xx repairs

2.2 Summary of Regeneration/Newbuild Activity e.g. LPG Proposals Northern Challenge Fund, Links to HMRF etc

Affordable Housing Strategy

Proposed timing and scale of development activity. Summary of recent development activity. Proposed programme size, type, areas of development, funding, key partners, competition, future strategy and link to investment strategy.

2.3 Development and Investment Standards

Summary key tenant needs/aspirations/choice and how reflected in NH Design Brief.

Working with partners to improve process and outcome.

Scheme review – feedback informed later phases and seeks to improve customer satisfaction – both process and outcome.

2.4 Remodelling

Reasons for remodelling, past programmes, summary of nos. p.a. /cost per unit/per annum/demand assessment for remodelled units/ alternative options (not to remodel – tenure diversification).

2.5 Tenure Diversification – MSP Theme “Neighbourhoods of Choice”

Demand from

- Traditional client group
- Key workers
- Low/middle income earners (sub-market rent)
- Shared ownership
- ‘Commercial’ market rent
- Economic migrant
- Older people
- Vulnerable people (supported housing)
- Homelessness
- Use of PPG 3

Assessment by **unit** of ability to increase rental income.

Say impact of 100 market rent units per year and projected surplus generated to subsidise main investment programme.

Tenure diversification to take precedence over sales/swaps?

2.5.1 Strategic Review of Sheltered Housing

To develop and delivery a comprehensive review of sheltered housing sustainability and make recommendations for any changes in stock use, investment, remodelling or disposal to ensure the improvement, sustainability and full occupancy of NH sheltered housing.

Marketing – “Older persons housing”
Support Needs – “Extra care housing”

2.5.2 Equipment and Adaptations

Establish comprehensive database of all properties containing adaptations and equipment, with installation dates, renewal dates, servicing arrangements and establish a procedure for periodic review to ensure best use of both properties and fitted equipment and adaptations including removal and re-cycling of components no longer required.

Use of DCLG guidance: Protocol with Equipment and Adaptations Unit.

2.5.3 Miscellaneous Property and Leased Stock

A ‘miscellaneous property’ can be defined as anything that is not purpose built by the City Council for residential letting. Miscellaneous properties were all acquired by the local authority for letting to a tenant.

Northwards Housing currently manages 111 miscellaneous properties across North Manchester (see Appendix 6 for details). 96 are currently tenanted and are all programmed to be improved to achieve the government’s decent homes standard. Northwards Housing will continue to manage these miscellaneous properties as it is not feasible to dispose of any properties given current levels of demand. There are currently 15 miscellaneous properties being held as strategic voids in the Harpurhey ward due to the potential development of this area under the Housing Market Renewal Pathfinder.

As and when any of the miscellaneous properties become void, they will be subject to a Desk Top Option Appraisal to assess whether continued investment and management is still the most viable option.

Devise a position statement for all properties used for temporary accommodation for asylum seekers, supported or other use.

2.6 Procurement Strategy

Description of Market Test, Current arrangements for Manchester Working, Manchester Wide Framework, M& E Services etc

- Forms of contract
- Current procurement routes
- Need for review?
- Local/regional pressures and opportunities
- Feedback from Industry – ability to service NH Programme
- Volume procurement proposals
- RSL procurement relationship
- Egan principles and Partnering
- System building/innovation
- Impact on AMS
- Proposed changes to maximise cost effective and efficient delivery of development/investment programme
- Summary of opportunities/pressures facing construction industry and impact on delivery of the AMS
- Timescales for delivery of priority investment works

Procurement routes for:

- Response/void maintenance
- Cyclical maintenance
- Planned maintenance
- Refurbishments/remodelling
- New build

Adequacy of current approved contractors/consultants

Internal project/contract management staff structure (impact of alternative procurement routes).

GM Procure

2.7 Responsive Maintenance

- No. repairs annually
- Cost of repairs – direct and staff
- Use of Manchester Working, other service partners
- KPI's – completed in time, customer satisfaction etc
- Future spend projections
- Impact of materials/labour availability and price increases – future budgets requirements
- Extent to which capital or planned repairs currently undertaken as response – proposals to switch to planned repairs
- Responsive repair reduction strategy (Action plan annex -emergency, average job value, DTD v planned ratio etc)
- Estimated impact of future major investment

2.8 Void Repairs

- Average turnover last 3 years
- Future projections
- Void repair standard (adequacy – timing of future review)
- Properties requiring special treatment (location/type/justification)
- Average void costs and future projections
- Re-let times – proposals to improve performance – review proposal (using Best Practice)

- Estimated impact of future major investment

2.9 Decent Homes Programme - Planned Maintenance

Past investment levels, adequacy, content etc.

Need for planned future maintenance (from Stock Survey)

Component renewal programmes

- Internal)
- External)
- Communal) content/value/procurement
- Estate)
- Exceptions)

Nos. units requiring kitchen/bathroom/central heating/windows/rewiring/re-roofing/external works etc., in next 10 years and cost of programmes.

System built / non-traditional housing – including tower blocks, maisonettes.

Planned maintenance strategy-rebalancing expenditure from responsive to planned – action plan annex

Use DCLG information on programme and spend profile

2.10 Cyclical Maintenance

Summary of cyclical maintenance contracts and whether costs likely to decrease or increase as AMS progresses.

2.11 Refurbishment – post Decent Homes

Nos. per annum, cost per annum, projected year of completion of all refurbishments, proposals to switch to future planned/cyclical maintenance regime.

2.12 Acquisitions

Non-SHG funded acquisition programme envisaged to support balanced stock profile?

2.13 Sales and Stock Rationalisation

- Right to Buy Disposals by area, period, property archetype projections stock average and neighbourhood variations
- Disposals – ethical disposals policy in appendix
- Swaps to rationalise asset base
- Use of MCC land receipts (ie. Bungalows)
- Planning powers

2.14 Demolition

Dwelling types/locations/numbers due for demolition – Table showing breakdown by neighbourhood.

Rationale for clearance – obsolete design/unpopular location/cost of repairing/combination

Is clearance the only solution – remodelling/alternative tenure considerations?

Costs assumed for refocusing/demolition/site security and “downtime” costs prior to redevelopment works commencement.

2.15 Works to Enhance Sustainability

North Manchester is rapidly evolving. The creation of the Manchester/Salford Housing Market Renewal Pathfinder has been the catalyst for the regeneration of the area and the improvements planned through our Capital Programme will make a significant contribution to the changing fortunes of North Manchester.

We work closely with colleagues from the City Council’s Private Sector Housing Team, Housing Strategy Division, North Manchester Partnership on and New East Manchester to ensure that the work we are undertaking complements the work of these organisations and contributes towards the objectives for regeneration set out in the ‘Strategic Regeneration Framework for North Manchester’. We have also been working closely with a number of RSLs and developers in the area to ensure we maintain a joined up approach and maximise the impact that we collectively make to the regeneration of area. We are currently examining options for a number of sites across North Manchester that have development potential.

A number of specific schemes (detailed below) are being funded to directly improve sustainability of estates. We are also exploring other options to improve sustainability such as by designing out crime, creating environmentally sensitive places and encouraging resident involvement and opportunities for volunteering and active citizenship.

We anticipate that the total spent on external areas/environmental works up to 2010 to be around £16m (excluding inflation). This is to be funded via the 5% for sustainability secured through ALMO funding and from additional Capital Receipts being made available by MCC for sustainability improvements.

Of this £16m, we estimate that:

- £9.5m will be spent on paths, fences and gates within the curtilage of properties.
- £1.9m will be spent on security and environmental improvements to the Crescent Road estate in Crumpsall which will improve the appearance and local perceptions of this area.
- £1m will be spent on environmental improvements to the Jolly Miller estate in Harpurhey to ensure sustainability of this large estate
- £2.25m available (over three years) to the three Local Area Panels (LAP) to fund priority environmental works identified by tenants and residents. To date, each LAP has identified six priorities to be implemented in 2006/07. We are currently establishing costs of design and implementation and consulting with partners to ensure that the works planned complement the wider regeneration of the North Manchester area and establishing if we can pool resources with partners to maximise the impact of these schemes. Following this first round of priority environmental works we will be developing a two year programme in consultation with each LAP.
- A further £1.3m will be spent on additional environmental sustainability works. Proposals will be developed in close collaboration with residents and stakeholders.

Manchester/Salford Housing Market Pathfinder

As a result of the activities of the Manchester/Salford Pathfinder, a number of areas within central Harpurhey and Lightbowne have been identified as potential clearance areas - removing unpopular, unsustainable terraced housing and replacing them with larger, affordable, family housing of which there is a shortage in these areas. We are currently working with colleagues from Private Sector Housing and the North Manchester Regeneration Partnership to develop options for creating sustainable, mixed communities in these neighbourhoods. We are also working with partners to assess if we can secure some funding via the Pathfinder for improvements to properties managed by Northwards Housing in order to maximise the impact of two new developments planned in Harpurhey and Cheetham Wards.

Northern Housing Challenge

We have submitted a proposal (in partnership with LPC Living and Manchester City Council) under the Housing Corporation's Northern Housing Challenge. We have sought £4m from the Housing Corporation to fund the development of social rented housing within a new, truly mixed tenure sustainable community. This proposal, if successful, will lever an additional £40m of private investment into this area and enable full regeneration of under utilised and problematic land and buildings.

Energy Efficiency and Environmental Sustainability

We have recently secured £245,000 of funding from the Department of Trade & Industry (DTI) to install solar panels onto 16 multi-storey blocks and 19 low-rise properties in North Manchester. This contribution from the DTI is 50% of the funding required for the scheme and we are currently exploring our new match funding options. The solar panels will contribute to the landlord supply within the multi-storey blocks with any savings to Northwards Housing being spent on further environmental/regeneration activities. The solar panels on the low-rise properties will generate savings directly to the tenants themselves, reducing fuel bills and tackling fuel poverty.

3. LONG TERM MAINTENANCE PLAN AND FINANCIAL PLAN

Utilising stock condition and a long term resource review analyse and produce options for long term stock maintenance and component renewals via capital, cyclical and planned that are reconciled against projected revenue resources and make recommendations to the City Council for the long term financial provisioning to ensure that Decent Homes standards are maintained and exceeded post 2010.

3.1 Maintaining Demand – Neighbourhood Sustainability Indicators

By introducing a suite of Neighbourhood Sustainability Indicators, we can analyse housing management performance and local socio-economic conditions that may affect the popularity of a neighbourhood or estate. This regular analysis of neighbourhoods/estates as an important tool within Northwards Housing's overall Asset Management Strategy.

It is basically a method of evaluating neighbourhoods/estates to understand the underlying reasons for decline; position each neighbourhood/estate in terms of how serious the actual or potential problems are; predict long term sustainability of a

neighbourhood/estate; identify options for improving or maintaining viability; demonstrate the expected impact of solutions identified; select a preferred option; and review outcomes of investment / intervention decisions (did they achieve expected outcomes?).

This is not intended to be a one-off exercise, rather a basis for the regular review of the neighbourhoods/estates managed by Northwards Housing. It is essentially a diagnostic tool designed to enable us to identify and evaluate priority investment / intervention strategies and monitor their impact over time.

Understanding changing demand is a complex issue. It is not anticipated that this model on its own will provide answers to complex investment / intervention decisions. However, it is expected that the model will allow more sophisticated analysis of trends than previously undertaken. Changing demand for neighbourhoods/estates sometimes needs radical solutions, so it is important that we establish a basis for identifying problems and take ownership of solutions.

Sustainability Indicators Considered:

- Turnover %
- Applicants per vacancy
- Refusal of tenancies
- Domestic burglary rate
- Transfer requests
- Voids %
- % Right to Buy (RTB)
- % of households dependent on Housing Benefit
- % of tenants living on an estate under 2 years
- % of households in arrears
- Average RTB Price
- Performance of local primary schools at KS2

Each indicator will be weighted according to their impact on sustainability and area popularity. Once weighted, the indicators will then be scored against the Northwards Housing average and neighbourhoods/estates will be ranked (according to their overall scores) and classified into one of the following:

- Estate/Neighbourhood in significant decline
- Estate/Neighbourhood at risk
- Popular Estate/Neighbourhood with specific problems
- Popular Estate/Neighbourhood

The next stage involves assessing the issues that particular estates/neighbourhoods face and identifying possible solutions or interventions to improve the fortunes of the estate/neighbourhood.

3.2 Financial Appraisal

Cost of repairs/investment

Rental stream

Income profile

Determine appraisal and approval criteria

4. OPTION APPRAISAL

The purpose of an Option Appraisal is to consider the sustainability of a property/group of properties by looking at maintenance, costs of repairs, cost of security and clear ups, demand and the effects of the property(s) within the community.

An Option Appraisal is a detailed analysis of information relating to an asset at a set point in time which looks at what alternatives could be implemented to redevelop or improve that asset to give long term sustainability. The appraisal will make use of management information, local knowledge and any other information that can help to assess what is happening to an asset and what options may assist in counteracting the issues of concern.

Examples of the information that the Option Appraisal process may include are:

- Number of empty properties and the current rental loss
- Turnover of stock
- Waiting list information - e.g. size and what needs people have
- Transfer requests - e.g. number and reasons for transfer
- Annual income from rents
- Number of owner occupiers and leaseholders in the target area
- Any properties leased or transferred to an RSL/Housing Association
- Repairs information - number of orders, value and breakdown of what types of work are most frequently required
- Level of crime or vandalism in the area - information the local office may have together with Police crime statistics for the target area
- Number of ASB cases ongoing / ASBOs in use
- Information on surrounding area, i.e. part of a wider regeneration area

An initial Desk Top Analysis of information may trigger a more detailed investment appraisal and consideration of alternative options.

Option Appraisal should not be viewed as a process on its own, rather it should be part of the business planning that the organisation does on a regular basis and should be flexible enough to take account of changes in physical conditions, demand issues and funding opportunities.

5. COMMUNITY/REGENERATION INITIATIVES

Initiatives required to support AMS – Links to Community Sustainability Strategy/Economic Strategy

The results of the neighbourhood appraisals/investment and financial appraisals may indicate the need to provide non-core housing and non-housing support services to support continued investment in the stock/ neighbourhood.

- Super caretakers
- Neighbourhood management initiatives
- Dedicated market rent/key worker staff
- Provision of community facilities etc
- Partnerships with other agencies

Statement of intent to provide or seek partnerships, justification and risk assessment, capital and revenue implications, external funding sources.

6. FINANCIAL BUSINESS PLAN

Key BP assumptions

- Inflation on build/labour costs
- Procurement costs based on volume procurement
- External fee levels
- Cost of in-house team (operating costs)
- Inflation on rental income
- Rent losses – turnover and demolitions
- Cost of stock investment programme
- Increased asset values as investment programme progresses

Summarise key assumptions driving the Business Plan and the Asset Management Strategy. Highlight key business plan opportunities and threats and provide a statement of how the organisation will respond and still deliver its key objectives.

7. ACTION PLAN

To cover a minimum of a three-year period and prioritise the action points highlighted in the strategy. Targets should be set using SMART principles and be sequenced logically – SEE ANNEX

8. COORDINATION, REVIEW AND DELIVERY OF THE STRATEGY

Identify who will be accountable and responsible for the delivery of the strategy, the process for reviewing the direction and the frequency that the organisation's senior management team and governing body will receive progress reports SEE DELIVERY STRUCTURE AND ASSET MANAGEMENT GROUP

9. APPENDICES AND REFERENCES

Appendix 1 – Overall Stock Summary
Appendix 2 – Stock Summary by Ward
Appendix 3 – Stock Summary by Construction Type
Appendix 4 – Sheltered Stock Summary
Appendix 5 – Multi-Storey Stock Summary
Appendix 6 – Miscellaneous Stock Summary

List key background documents used to develop and inform the strategy and wherever possible signpost the reader to where they can be found.

Examples:

NH Delivery Plan
Business Plan

Stock Condition Survey
Key policies
Key strategies
Key standards
Specialist reports
Decent Homes Delivery Plan

DRAFT ASSET MANAGEMENT ACTION PLAN – KEY OBJECTIVES YEARS 1 TO 3

REVIEW TEAM IMPROVEMENT PLANS; (ASSET MANAGEMENT & PROCUREMENT, INVESTEMENT STRATEGY, RATIO OF PLANNED TO RESPONSIVE, REDUCING EMERGENCIES, RESPONSIVE REPAIRS SURVEYING SERVICE, TECHNICAL SERVICES STRATEGIC LEVEL, MECHANICAL AND ELECTRICAL, CDM TEAM, ASBESTOS MANAGEMENT & CONTROL AND GENERIC SURVEYING

LINKS WITH AND INFLUENCES: RESIDENT INVOLVEMENT, HUMAN RSOURCES STRATEGY, EQUALITY AND DIVERSITY ACTION PLAN, BUSINESS SUPPORT IMPROVEMENT PLAN, LOCAL SERVICE TEAM IMPROVEMENT PLANS, OVERALL SERVICE IMPROVEMENT PLAN

Objectives must be: SPECIFIC and MEASURED ACTIONS which are REALISTIC and TIMED

KEY	APPLY COLOUR TO OUTCOME COLUMN ONLY
	Completed
	In progress or further info awaited
	Not yet started

STRATEGIC THEME ACTION	SHORT TERM NOW TO 31 MARCH 2008 18MONTHS	MEDIUM TERM UP TO 31 MARCH 2009	LONG TERM MARCH 2010	LEAD OFFICER	PROGRESS TO DATE
Resident Involvement, Health and Safety, Equality and Diversity and VFM are thematic to all					
Responsive Repairs	<ul style="list-style-type: none"> Establish Key PI targets/ratios for 3 yr plans. Prioritise actions over S, M or LT 	<ul style="list-style-type: none"> Develop and Implement Planned Cyclical Investment Implement H&S + 			

	<ul style="list-style-type: none"> • Complete causal analysis of DTD spend – develop S, M & LT Actions to address • Reduce 06-07 Spend to within Budget 	<p>E&D Monitoring of Service Partners</p> <ul style="list-style-type: none"> • Review Service Standards/Priorities with Residents 			
Equality and Diversity, Health and Safety	<ul style="list-style-type: none"> • Complete Asbestos Survey • Design and Commission DTD Job Ticket warning and protocols • Develop E&D Asset Management Action Plan 	<ul style="list-style-type: none"> • Implement action plan priorities 			
Lettings and Voids	<ul style="list-style-type: none"> • Establish and complete review of Lettings process 	<ul style="list-style-type: none"> • Implement revised letting process 			
Planned Cyclical Programmes	<ul style="list-style-type: none"> • Establish Investment appraisal framework with residents for 08-09 budget process 	<ul style="list-style-type: none"> • Develop non DH component Renewal Schedules for Business planning • Develop Planned Cyclical Programmes to Deliver 60/40 and reduce Responsive Spend • Aids and Adaptations Property Database and review policy. 			
Energy and Environment	<ul style="list-style-type: none"> • Implement Energy partnership with British Gas Adopt Affordable Warmth 	<ul style="list-style-type: none"> • Review and Affordable Warmth Action 			

	Strategy	Plans			
Operational Planning and Direction	<ul style="list-style-type: none"> • Establish Asset Management Group and Resident Involvement Action Plan • Agree Strategic Priorities and targets for AMS • Sign off Asset Management Strategy and Action Plan with • EMT/ P&P/ DMT by Dec 06 NH Board by Jan/feb07 • Agree Action Plan for Development and Management of Stock Condition Database 	<ul style="list-style-type: none"> • Build Systems to capture DTD/VOID spend in SCDB 	<ul style="list-style-type: none"> • Review Asset Management Strategy 		
Business and Financial Planning	<ul style="list-style-type: none"> • Establish Group and Review Integration of Asset Management and Financial Planning Process • Incorporate Building Cost Model in to heart of Financial/Operational Planning Systems • Develop Information from SCDB to populate BCM • Establish Response to DCLG deadline Extension call 	<ul style="list-style-type: none"> • Produce Revised 30 Investment Profile using Life Cycle Cost Data • Revise 			
Maintaining Demand	<ul style="list-style-type: none"> • Establish Stock Health Check System 	<ul style="list-style-type: none"> • Identify Priority areas and Develop Intervention and Investment Actions for 			

		<ul style="list-style-type: none"> Review by AMG Initiate Strategic Review of Sheltered stock and Lifetime Homes 			
Business and Financial Planning (short term Issues)					
<ul style="list-style-type: none"> Establish Group and Review Integration of Asset Management and Financial Planning Process Incorporate Building Cost Model in to heart of Financial/Operational Planning Systems Develop Information from SCDB to populate BCM Establish Response to DCLG deadline Extension call 	<ul style="list-style-type: none"> Important for NH to take control of BCM production and use and to locate it within Business planning processes to avoid duplication and reflect its importance in funding terms. Need to agree group to drive this through, resource requirements and timescales, implications for teams and relationships between development team and finance. 				
Operational Planning and					

Direction					
<ul style="list-style-type: none"> • Build Systems to capture DTD/VOID spend in SCDB • Agree Action Plan for Development and Management of Stock Condition Database 	<ul style="list-style-type: none"> • Develop system to capture eligible DTD/Void in Stock Condition Database so that component lifecycles updated • Capture investment information necessary to assist DTD operation e.g. supplier, component specification etc • Consider resource requirements to maintaining SCDB, Management and updating of SCDB and Development of Expertise in System Development data interrogations etc 				
Planned Cyclical Programmes					
<ul style="list-style-type: none"> • Establish Investment appraisal framework with residents for 07-08 budget process 	<ul style="list-style-type: none"> • How to appraise/score investments against strategic Goals – affect on responsive spend, energy efficiency, stock demand/sustainability, component renewal, H&S priority etc • Will investment suppress responsive spend 				

ASSET MANAGEMENT GROUP MEMBERSHIP:

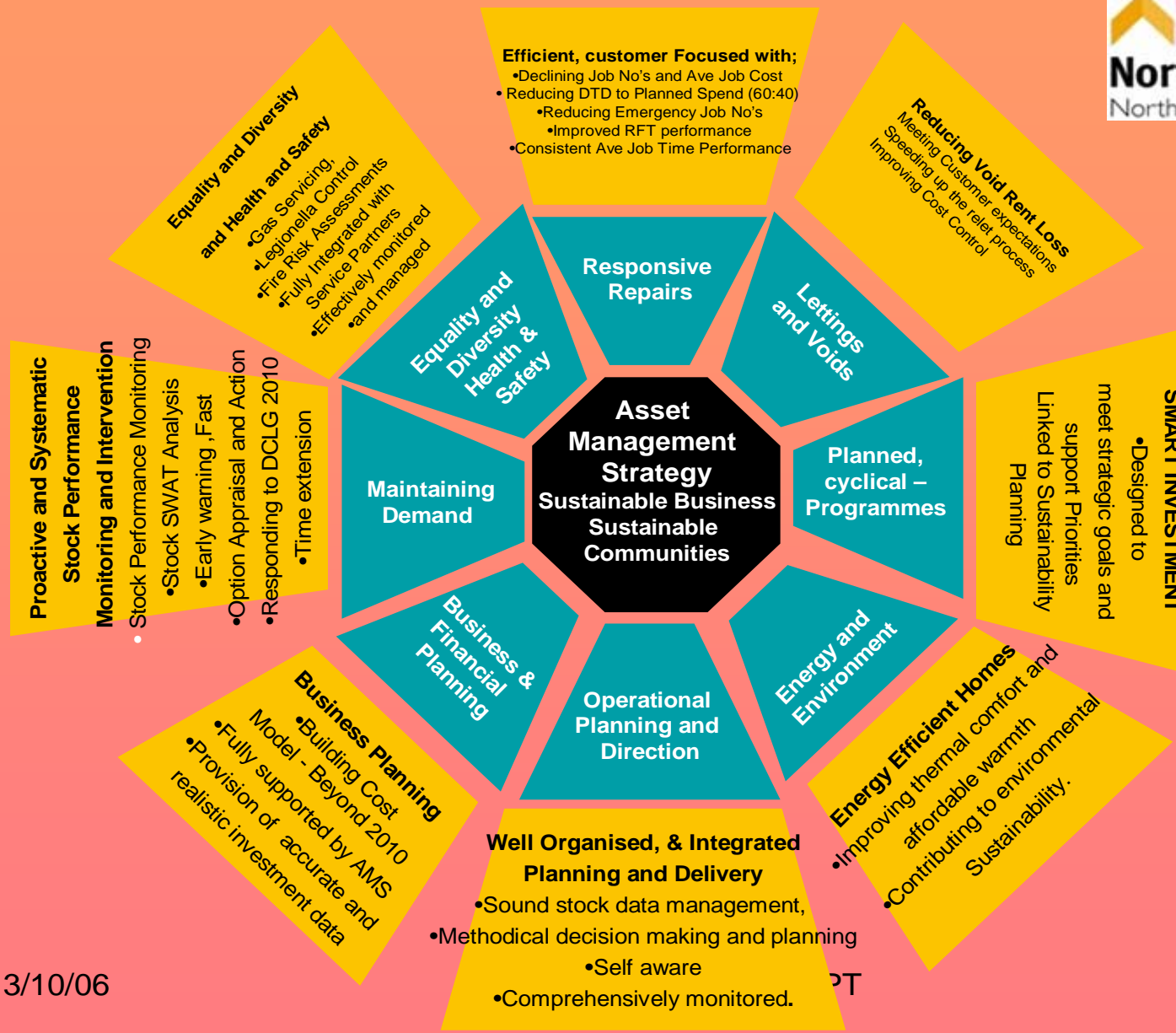
CHAIR: Larry Patrick
David Heys
Alan Lawrenson
Greig Lees
Matt Roberts
Paul Maidment
Claire Hopkins
Jim Lawson
Alison Foster or Nominee
John Burton or nominee
Steve Finegan
Seema Kohli
Sue Sanderson
Steve Gill
Rob Doherty
DMT nominee
Resident or Resident Board Member

Meets quarterly to drive Asset Management Strategy and Action Plan. Combines with appropriate Property Services Management Team Meetings

ASSET MANAGEMENT STRATEGY - AIMS AND OBJECTIVES



- CONSOLIDATED STATEMENT OF NH BOARD DIRECTION IN TERMS OF STOCK CONDITION MANAGEMENT, INVESTMENT TARGETTING & PRIORITY, STOCK CONDITION AND ASSET MANAGEMENT PERFORMANCE GOALS.
- DESCRIBES ALL THE ACTIONS, GOALS/ PROCESSES USED TO ACHIEVE THESE AIMS
- ENSURES ACTION/PERFORMANCE/PRIORITY IS LINKED TO DELIVER OBJECTIVES AND STRUCTURES IN PLACE TO COORDINATE AND DRIVE ACTIONS.
- ENSURES AMS IS AT HEART OF NH BUSINESS PLAN AND RESOURCE PLANNING/ALLOCATION
- DESCRIBES WHERE WE ARE, WHERE WE ARE GOING, HOW WE WILL GET THERE.



13/10/06

ASSET MANAGEMENT STRATEGY COMPREHENSIVE AND HOLISTIC



ATTRIBUTES:

- **IS LONG TERM:**
 - 30 YEARS ON FUTURE INVESTMENT NEEDS - FINANCIAL PLANNING - BEYOND DECENT HOMES
 - 3 - 5 YEARS FOR ACTION PLANNING (AC INSPECTION - DH PROG' CYCLE)
- **COMPREHENSIVE:**
 - RESPONSIVE AND CAPITAL OPERATIONS
 - DATA AND SYSTEMS
 - PEOPLE AND CASH
 - ALL PROPERTY AND LAND
- **INTEGRATED:**
 - FINANCE SYSTEMS, BUDGETS AND LT FINANCIAL PLANNING
 - INFORMATION TECHNOLOGY - STOCK COND, PI AND CASH
 - INTERNAL DIRECTORATES AND TEAMS - COLLEAGUES INVOLVED
 - SERVICE DELIVERY PARTNERS AND STAKEHOLDERS - INVOLVED AND INFLUENCING
- **IS AFFORDABLE**
 - SITS WITHIN RESOURCES AVAILABLE - MAKES (DEMONSTRABLE) BEST USE OF
- **IS PRAGMATIC/PRACTICAL**
 - IS SIMPLE - REALISTIC - AWARE OF POLITICAL - REGULATORY CONTEXT
- **DELIVERED THROUGH MONITORABLE ACTIONS**
 - ACTION PLANS, PI, BENCHMARKED

MANDATORY CONTENT OF AMS ACTION PLAN



- 1 - ASBESTOS - ACTIONS (AC R1)
- 2 - STOCK CONDITION SURVEY/DATABASE - ACTIONS (AC R2)
- 3 - IMPROVE EFFICIENCY AND PI REPORTING OF RESPONSIVE REPAIRS - ACTIONS (AC R3)
- 5 - INVOLVES RESIDENTS AT EVERY LEVEL
- 6 - ENSURES EQUALITY AND DIVERSITY ADDRESSED AT EVERY LEVEL
- 7 - EMPHASIS ON HEALTH AND SAFETY
- 8 - REDUCES RATIO OF RESPONSICE TO PLANNED SPEND
- 9 - RESPONDS TO DCLG DH REQUIREMENTS

ASSET MANAGEMENT STRATEGY STRATEGIC GOALS



SOME EXAMPLES FOR DISCUSSION:

- SUPPRESS RESPONSIVE SPEND FROM X/Unit/Year to Y/Unit/Year
- REDUCE STOCK TURNOVER FROM X TO Y (OPTION APPRISAL/SWAT ANALYSIS/STOCK HEALTH CHECKS)
- MEETING AND EXCEEDING DECENT HOMES BY 2009
- INCREASE EXPENDITURE/IMPACT OF PLANNED CYCLICAL REVENUE ACTIVITY FROM X PER Unit/Year to Y per Unit/Year
- IMPROVE SAP LEVELS from X to Y WITHIN 4 YEARS
- PLAN AHEAD AND CREAT SUSTAINABLE FINANCIAL PLAN FOR FUTURE RENEWALS VIA SMOOTHED INVESTMENT PROGRAMMES
- ACHIEVE X% RIGHT FIRST TIME DTD AND Y% CAPITAL WORKS OUTCOMES
- ACHIEVE FULL RESIDENT INVOLVEMENT
- DEMONSTRATE BEST OUTCOMES FROM AVAILABLE LONG TERM CASH RESOURCES
- ENSURING EQUALITY AND DIVERSITY THROUGHOUT ASSET MANAGEMENT
- PROMOTE TENURE DIVERSITY, INWARD INVESTMENT AND NEW BUILD IN OUR COMMUNITIES DEVELOP NEIGHBOURHOOD PLANS INTEGRATED WITH AMS, CRS



Asset Management Strategy and Action Plan

Northwards Board and EMT/DMT - Strategic Direction - Goals

- Agree Asset Management Strategy
- Set headline goals and priorities
- Annual Review of Headline Goals (Monitors and Implementation)
- Sign off investment programme
- Sign off Annual Responsive, Servicing, Planned Investment Budgets



Asset Management Group Property Services - Operational Management

- Delivers Asset Management Strategy by:**
- Developing and Implementing Asset Management Action Plan
 - Ensures Operational Delivery
 - Oversees Component Action Plans
 - Ensures Collaboration and Coordination



13/10/06

Teams

- Develop and Implement Component Action Plans

ASSET MANAGEMENT STRATEGY - OPERATIONS



COVERS ALL **OPERATIONAL ACTIVITY** NECESSARY TO DELIVER
STRATEGIC AIMS INCLUDING :

- **DAY TO DAY/RESONSIVE REPAIRS** (INCL REV FUNDED PLANNED, CYCLICAL AND SERVICING ACTIVITY)
- **LETTINGS AND VOID** PROCESS MANAGEMENT
- **CAPITAL INVESTMENT & PROGRAMME MANAGEMENT;** MAJOR REPAIRS, DECENT HOMES CAPITAL PROGRAMME
- **MONITORING - MAINTAINING DEMAND** THROUGH SUSTAINABILTY INTERVENTIONS/INVESTMENT.
- **ENERGY EFFICIENCY** AND ENVIROMNENTAL SUSTAINABILITY
- **HEALTH AND SAFETY;** GAS SERVICING, LEGIONELLA MGT, ASBESTOS MGT, FIRE RISK ASSESSMENT
- **FINANCIAL VIABILITY** AND BUSINESS PLANNING

ASSET MANAGEMENT STRATEGY - WORK PRIORITIES AND PLANNING



- AGREE - MEMBERSHIP AND ROLE OF ASSET MANAGEMENT GROUP, MEETING CYCLES - RELATIONSHIPS ETC
- RESPONSIBILITY FOR COMPONENT ACTION PLAN DEVELOPMENT - TIMESCALES
- DISCUSS SHORT TERM PRIORITIES - MEDIUM TERM PRIORITIES
- STRATEGIC GOALS
- DEADLINES FOR ACTION PLANNING AND DRAFTING OF AMS
- MONITORING OF AMS AND ACHIEVEMENT OF STRATEGIC GOALS.
- RESIDENT INVOLVEMENT
- REVIEW AM STRATEGY PAPER CONTENTS AND ACTION PLAN