

## Meeting the challenge of Asset Management

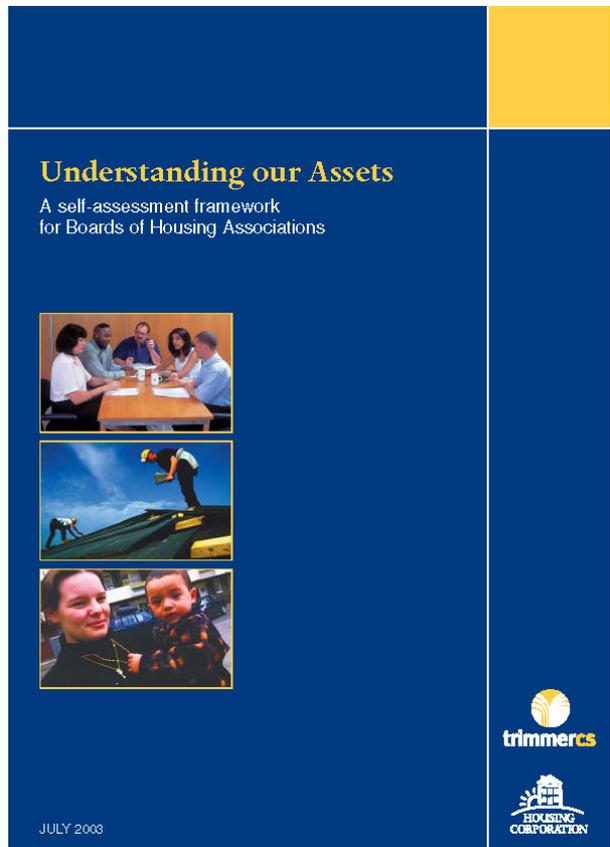
A key challenge for any housing provider in maintaining their stock is to meet both the needs and aspirations of residents and the long term requirements of the business. In order to achieve both these aims, a long term strategic approach to managing housing assets is vital.

**We can assist you with:** asset management strategies, stock condition surveys, procurement, options appraisals, stock rationalisation, the Home Standard, HHSRS and sustainability.

### Asset Management Strategies

The pro-active management of a landlord's built assets is essential to the long term viability of a social housing landlord. A well-researched and comprehensive Asset Management strategy will also help ensure that the buildings you own continue to meet current and future needs. Developing and implementing an effective asset management strategy involves the following steps:

- ◆ **Strategic Review** How well do your buildings meet your organisation's current objectives? What sort of accommodation will you need to offer your residents in the short, medium and long term?
- ◆ **Review** What is the condition of the stock now? How is it likely to change in the future? Does it meet the needs and aspirations of residents? How easy is it to let? Does it meet government and local authority requirements and standards? What is the potential cost of repairs and what funding is available?
- ◆ **Plan** Identify the required standards and priorities (for the housing provider and for residents). Agree specific objectives and targets. Agree a costed programme for carrying out repairs. Identify and assess the potential options for housing which is no longer fit for purpose.
- ◆ **Implement** Procure and manage appropriate works. Monitor progress and quality.
- ◆ **Review again** How has the stock's condition changed? Have the plan's objectives and targets been met? Do they need to be revised?



**Understanding our Assets**  
A self-assessment framework  
for Boards of Housing Associations

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trimmercs  
HOUSING CORPORATION

### Knowing the condition of your stock

If it is to inform asset management and not just sit on the shelf, a **Stock Condition Survey** needs to be accurate and appropriate. Selecting the right sample of stock to survey is key to achieving this. The sample should be of the right size and should reflect both the diversity of stock and the varying levels of investment required. Procuring a suitable survey requires a good knowledge of the market, along with an in depth understanding of the information needed to produce cost estimates and projections.

## Sustainability

With general agreement on the importance of addressing climate change, sustainability continues to be a high priority in the management and maintenance of social housing. Key initiatives in this area are:

- ◆ The government's **Green Homes, Warmer Homes** strategy, which includes provision for the improvement of energy efficiency in the social rented sector.
- ◆ **Retrofitting**, the term used to describe improving the sustainability of existing houses. A number of experimental programmes have demonstrated how existing buildings can be given better environmental performance, in particular by improving insulation and energy usage. Many of these initiatives call for substantial investment – but how can you find a retrofitting approach which is deliverable, affordable and makes sense for your residents?
- ◆ An **Energy Performance Certificate (EPC)**, setting out a property's energy efficiency and environmental impact ratings, is required whenever a property is let to a new tenant. EPCs are valid for ten years and can be re-used as many times as required within that period. How can you best manage your existing EPCs and make the best use of the information they provide about your stock?

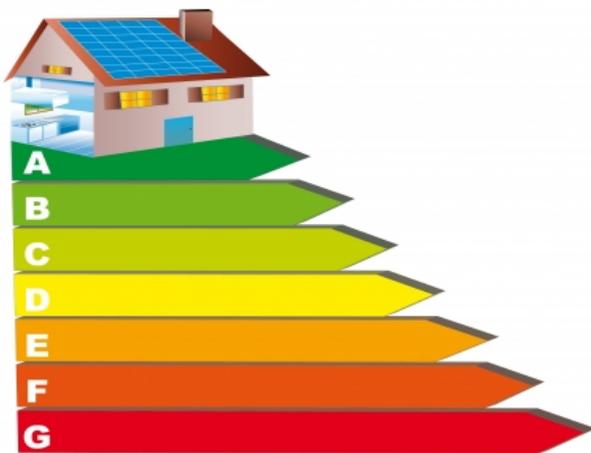


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## The Home Standard

By the end of 2011, more than 90% of social housing met the **Decent Homes Standard** of being warm and weatherproof with reasonably modern facilities. Social landlords are now expected to meet the "Home Standard".

This incorporates the Decent Homes standard, but landlords are expected to develop additional local quality standards, aided by tenant led scrutiny panels. Landlords are also expected to provide a repairs and maintenance service which responds to tenants' needs, offers them choice and gets things right first time.

## Maintenance procurement

Effective procurement is key to good and economic asset management. Maintenance services (including responsive repairs, voids, gas servicing and repairs, planned maintenance, cyclical maintenance and service contracts) offer significant opportunities for efficiency and cost savings. Procurement also has to meet the requirements of public procurement regulations. Managing procurement is a specialised task and unlocking the potential efficiencies offered by collaborative working requires dedication and concerted effort across all the parties.

## Housing Health & Safety Rating System

The Decent Homes Standard requires social landlords to apply the **Housing Health & Safety Rating System (HHSRS)** hazard scores in assessing whether properties comply with the 'fitness' criterion. HHSRS is used by environmental health officers to assess housing conditions. Where they consider that there are failings, landlords may be served with notices to improve their housing. Surveyors who carry out inspections and stock condition surveys need to have an understanding of how the HHSRS is applied to housing and the skills to handle and interpret HHSRS data.

## Stock rationalisation

Many landlords are looking closely at the housing they own and reviewing their areas of operation, to ensure it meets current and future requirements. They will identify housing stock which might be marginal, undertaking detailed options appraisals and, if appropriate, seeking to transfer it to other providers. There may be opportunities for stock exchanges with other landlords who are going through the same process. Alternative courses of action might include redevelopment or changes to the client group being housed. Careful consultation with residents is essential in progressing stock rationalisation, as are detailed financial appraisals to support negotiations which can be very complex.

## What Trimmer CS has to offer you in Asset Management

Trimmer CS are experts in the field of asset management, with a long and extensive track record. We have a comprehensive understanding of the challenges facing housing associations, ALMOs, local authorities and other agencies. Our authorship of the Housing Corporation Guide 'Understanding our Assets' underlines our expertise in this field. We can help you with all areas of asset management, from developing your organisation's strategy, through to carrying out an options appraisal for an individual

### Options appraisals

Options appraisals lie at the heart of active asset management. Every property or estate offers a range of opportunities, requiring different levels of investment to make them happen. Housing associations, ALMOs and local authorities exist not to generate profit for shareholders, but to generate social returns; in undertaking options appraisals you need to know not just the financial cost of each solution, but also the social benefits it will produce. Our services include:

- ◆ Facilitation of initial "options generation". We will work with stakeholders to explore the potential for individual categories of housing.
- ◆ Co-ordination of feasibility studies. This will provide broad brush indications of what might be possible, to inform your decision making prior to committing to extensive research and development costs.
- ◆ Using our sophisticated modelling approach to analyse options on a consistent basis. The results feed into a comprehensive assessment which can be presented to decision makers.
- ◆ Working with residents and frontline staff to explain the options and involve them in creating a better future for residents and their homes.

### Sustainability

We are able to advise you on how to manage your housing assets so as to maximise their sustainability. Our services include:

- ◆ Working with you to devise a strategy for improving the energy and environmental performance of your existing housing stock
- ◆ Devising appraisal strategies to identify suitable improvements
- ◆ Co-ordinating the process to install "green technologies"



### Business assurance

We are also able to review the effectiveness of large scale, high value maintenance contracts. For further details of this service, please see our **fact sheet on Scrutiny and Review**.

### Asset Management strategic planning

We have worked with many organisations to develop their asset management strategies. Our services include:

- ◆ Facilitating working groups to define priorities
- ◆ Co-ordinating the production of the strategy and action plan
- ◆ Providing a comment and review process for existing strategies

## Stock condition surveys

Trimmer CS can support you through the process of commissioning, managing and evaluating a stock condition survey so as to get the maximum benefit from your investment in it.

Our input, which can be as much or as little as you require, will be tailored specifically to your requirements. Our services include:

- ◆ Advising on approach and methodology
- ◆ Supporting the commissioning process
- ◆ Managing the survey itself
- ◆ Validating, interpreting and analysing the results
- ◆ Developing the results into an asset management plan
- ◆ Providing tailored training in the Housing Health & Safety Rating System (HHSRS), so that scores and assessments can be incorporated into stock data.

## Procurement

From the procurement of multi-million pound construction projects to the purchase of office supplies, Trimmer CS can help you put in place appropriate and effective procurement arrangements.

We can offer you a thorough understanding of the European procurement rules, combined with in depth knowledge of housebuilding, construction and social housing.

This expertise can be used to assist you in effective procurement, whether you are the client or bidder. Our services include:

- ◆ Devising, revising and reviewing organisation-wide procurement strategies. We will ensure that they meet the complex requirements of the regulatory framework, including EU rules.
- ◆ Helping you identify the most appropriate procurement arrangement for your organisation and assessing the potential benefits of collective arrangements such as consortia and clubs.
- ◆ Managing your selection process. Our services include preparing OJEU notices, setting timescales, writing briefs, drafting questionnaires, preparing scoring systems, assessing responses and conducting interviews.
- ◆ Supporting resident involvement in procurement, through methods such as training and workshops.

For further information on our services in relation to procurement, please see **our Fact Sheet on Development and Regeneration**.



Established in 1998, **Trimmer CS** is an independent consultancy dedicated to working in the social housing sector.

We provide consultancy, training and interim management services throughout the UK to housing associations, local authorities, ALMOs as well as social housing contractors and developers.