

Asset Strategy



Our Assets

Warrington Housing Association

INTRODUCTION

Warrington Housing Association (WHA) recognises that maintaining its assets is central to the viability of the organisation. Expenditure on assets represents the Association's single largest area of expenditure equating to over 60% of overall spend.

The Association's property portfolio has an open market value of over £140 million and an existing use value (EUV-SH) of almost £50 million. Therefore it is essential to the sustainability of the Association that we maintain and improve this portfolio.

WHA has committed to grow its portfolio through a mix of new development, acquisition of existing properties and S.106 purchases. A strategic review of the existing portfolio of assets needs to be undertaken on a regular basis in order to identify any opportunities for accelerating that growth.

This strategy is a statement of intent as to how WHA will manage and improve the stock to meet its strategic and operational needs, but also identifies how in some instances WHA may choose to reuse or divest of its existing stock and to add to its portfolio through development and acquisitions including the marrying of assets to add value. This strategy confirms how we will collate and use accurate data to inform these decisions.

STRATEGY STATEMENT

The HCA's regulatory framework requires Housing Associations to maintain a robust assessment of performance of all assets and resources. Further to this, we are also required to take "...a robust approach to making decisions on the use of resources to deliver the provider's objectives including an understanding of the trade-offs and opportunity costs of its decisions."

Registered providers shall ensure that tenants' homes meet the standard set out in section five of the Government's Decent Homes Guidance and continue to maintain their homes to at least this standard.

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From a legislative perspective, WHA, must also comply with the EU Procurement Directives, the Public Services (Social Value) Act 2012 and the Public Contracts Regulations 2015.

This strategy links to our Growth Strategy and business plan objective to grow our portfolio by 100 units by 2022.

AIMS AND OBJECTIVES

Our vision is to help make Warrington a great place to live, in which the potential of individuals and communities can be realised. This vision is underpinned by four strategic objectives:

- To remain a major provider of housing and housing solutions in Warrington.
- To provide housing and other services to improve the quality of life for older people in Warrington.
- To prioritise the needs of people and place the creation of sustainable communities at the heart of our work.
- To maintain a sound financial base for the Association and continue to achieve top quartile performance.

We will use our asset management processes to support our strategic objectives. This strategy sets out to ensure:

- That WHA consistently provides sector leading properties that are safe, secure, energy efficient and affordable and are homes which tenants are proud to live in exceeding their expectations both now and in the future.
- That these assets are maintained to an exceptional standard in line with the future needs and expectations of our customers.
- That by utilising the capital works budget in an efficient and targeted manner, there is a reduction in repair demand.
- That WHA identifies and implements measures to protect itself from poor or underperforming assets.

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- That WHA is in a position to consider future opportunities for growth as and when they arise.

This will be achieved by

- Collating and maintaining accurate, up to date stock condition data
- Ensuring there is an appropriate split between our planned/responsive work spends/budgets
- Identifying and implementing an appropriate asset management information system
- Making business decisions based on accurate and detailed information.
- Using this information to develop targeted capital improvement programmes, that ensure our properties are maintained to a standard that exceeds the decent homes standard and is better than those being offered by our peers
- Putting residents at the heart of our business.
- Promoting collaborative working internally and externally, to identify challenges and implement measures that address any issues which may arise.
- Effective and efficient procurement of contractors and components, including best value reviews of the specifications of services and materials procured.
- Understanding the challenges and opportunities of growth
- Promoting an enthusiasm for change and innovation
- Reviewing relevant regeneration, planning and transport policies, initiatives and frameworks which affect Warrington (and elsewhere if assets are to be acquired outside the Warrington Borough administrative boundary), to identify opportunities for growth or added value to the existing asset base
- Engaging at senior level with other stakeholders interested in the regeneration and development of the town such as Warrington Borough Council, Homes England, Network Rail, other Registered Providers of social housing, private landowners and developers etc. to keep abreast of regeneration and development initiatives and opportunities, including

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possible joint venture arrangements, which may affect WHA's existing asset base or influence decisions to acquire additional assets.

- Understanding and managing the risks to the Association's business plan that are relevant to this strategy.

STOCK PROFILE

The properties owned and managed by WHA are diverse in nature, style and type.

The 1289 properties in management comprise.

	GN	HfOP	Supported	PSL	LSE	SO	Scheme Manager
Bedsit	2	16	63				
1 Bed	277	126	8		44	17	
2 Bed	280	15	2	1		11	
3 Bed	373		2				3
4 Bed	48						
5 Bed	1						

(figures as of 30/11/17)

There is a wide variety of properties with approx. half of the stock being purpose-built, with the remainder being rehab properties. The portfolio includes 475 homes which WHA acquired in a 1992 stock transfer from Warrington New Town.

The stock is dispersed across Warrington with the majority of it being located in sustainable areas.

RESOURCES AND DELIVERY

WHAs housing stock is its most valuable asset and it is these assets that underpin the operational and strategic aims of the Association. It is therefore essential that WHA has accurate information on the condition of its properties.

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As a local community association we have an in depth knowledge of our homes, at a neighbourhood and often street level and this supports more effective services and investment decisions. We carry out a programme of stock condition surveys of our properties.

We use the data, coupled with the excellent knowledge we have from our experienced staff, to ensure that our properties remain 100% compliant with the Decent Homes Standard, to identify where future improvement programmes should be targeted and to support a costed 30 year business plan.

In addition we develop a detailed 5 year programme of planned works that takes into account the following drivers:

- Targeting responsive / day to day repair hotspots
- Component lifecycle dates and costs
- Efficiency
- Future acquisitions and disposals
- Core neighbourhoods
- Energy efficiency improvements (targeting poorly performing stock)
- Available budget

It is WHAs intention to ensure that where possible measures will be implemented so that tenants are able to remain in their homes for as long as they wish to do so. Although we accept that on occasion this will not be a viable options. This will be delivered through our adaptations service which aims to:

- Provide a high quality aids and adaptations services to enable tenants with disabilities to live safely and independently in their home.
- Set out our approach to dealing effectively and consistently with requests for aids and adaptations for our tenants with disabilities.
- Make our tenants aware of the availability of the aids and adaptations service.

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The cost of heating & energy is a significant issue to our tenants and it is essential that the homes we provide are energy efficient and affordable.

We will continue to measure the energy efficiency of our properties using the Standard Assessment Procedure (SAP) and where properties with a low SAP are identified, we will look to invest in energy efficient measures that will improve the efficiency of these properties.

These potential improvements will include the installation of new double glazed windows with K glass, the installation of new A rated condensing boilers, increased levels of cavity and loft insulation and fitting of external insulation to properties with solid walls (no cavities).

CUSTOMER COMMUNICATION AND CONSULTATION

Having a 5 year programme helps improve communication and transparency with our tenants, especially those who wish to know when works will be undertaken within their homes. All works are subject to survey and budget.

A key principle of this strategy is to improve the choices being offered to our residents and the ability for them to influence the works being undertaken in and around their homes. WHA will establish a range of consultation events with the residents, such as pre-entry surveys with representation from both the contractor and WHA, in which the proposed works and residents questions and concerns will be addressed.

At the conclusion of every contract WHA will undertake a tenant satisfaction survey. Questionnaires will be issued to all residents with feedback of the findings being issued to all parties through 360 degree review meetings, with the intention of promoting best practice and implementing measures to address any areas for improvement. Information obtained relating to contractor performance will support future procurement decisions.

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In addition WHA will review the feedback from these surveys to ensure the components we are specifying and installing are desirable, meet the requirements of modern living and are adaptable to reflect WHAs approach to Equality, Diversity & Inclusion.

SUSTAINABLE NEIGHBOURHOODS

WHA are committed to reducing the impact of their operations on the environment and providing comfortable, affordable, energy efficient homes that are economical to run. This commitment is reflected in the improvement works we undertake and the components we install in our properties.

WHA also realises the potential benefits its actions can have on the local economy and encourages the appointment of local contractors and suppliers in the maintenance, improvement, development, sale and acquisition of our properties, thereby maximising the local pound and apprenticeships for local people.

DEVELOPMENT

The Asset team will work closely with WHA's external development partner(s) to ensure that there is clarity in the Associations' requirements in relation to our design brief and specifications for new build and future refurbishment projects. Consideration must be given within these documents to minimising planned maintenance cycles and ensuring new developments represent value for money.

WHA have developed a design brief which specifies components which reflect best value in terms of life cycle costings.

DIVESTMENT

The Association has an asset register and approved approach to understanding the return on our assets. We continue to carry out regular reviews of our asset performance to identify any assets for individual reviews to either improve their performance or inform divestment decisions. The

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Growth Strategy also supports consideration of disposal alongside acquisition “where it can demonstrably contribute to our growth ambitions”.

RELATED DOCUMENTS

This strategy covers all aspects of the Association’s asset management activity and should be read in conjunction with a range of other policies and procedures. This includes, but is not limited to:

- WHA 0488 – Growth Strategy
- WHA 0000 – Procurement Strategy
- WHA 0086 – Disabled Adaptations Policy
- WHA 0000 – Tender Procedure and Evaluation Process

MONITORING & REVIEW

This policy will be reviewed every 3 years, or sooner if required by statutory, regulatory or best practice.

EQUALITY IMPACT ASSESSMENT (EIA)

In delivering our Asset Strategy we aim to treat all customers fairly. An equality impact assessment has been carried out. Where customers require additional support, we will incorporate additional flexibility to provide a service that seeks to meet the needs of a particular individual or household.

RESPONSIBILITY

The Director of Operations is responsible for overseeing the implementation of this policy.

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