



Homes we can be proud of

Our Asset Management Strategy

2023 - 2028

Contents

About Warwickshire Rural Housing Association

About our homes

About asset management

Our asset management objectives

- Provide customer focussed repairs services and improvement works.
- Use data and evidence to guide our investment decisions in our homes.
- Ensure our homes are safe and keep them in good condition.
- Make our homes cheaper to heat and make them greener.
- Deliver a well-run service that offers good value for money.

Delivering our plans

Our Asset Management Strategy sets out how we will go about investing in our properties so we provide *homes we can be proud of.*

The strategy is pivotal to us achieving our vision to provide good quality, well-managed affordable homes enabling vibrant communities to thrive across rural areas. This means providing homes and services that meet or exceed higher property standards, as well as the changing needs and expectations of residents.

The strategy is built around five objectives that provide the overarching approach for how we will go about repairing, maintaining, and investing in the homes we provide. These include ensuring homes are safe and keeping them in good repair, as well as providing a genuine customer focus in all our work.

Our approaches have been shaped and informed by a range of current issues and challenges around asset management for social housing landlords.

Whilst focussed on the next five years, our strategy also provides the foundation for a much longer-term approach to investment, including how our existing asset base can be used to help support the delivery of replacement and additional homes.

About WRHA

Since our inception in 1989, Warwickshire Rural Housing Association (WRHA) has developed into a thriving specialist housing provider. We are renowned for bringing affordable homes to local people where they are most needed in Warwickshire's rural communities.

Today we continue to build and manage affordable homes in rural communities across the county which help to transform the lives of hundreds of people and helping keep Warwickshire's villages alive.

WRHA is an independent housing association. We contract with Midlands Rural Housing, part of the EMH Group, to provide services for us. This includes purchasing some services on WRHA's behalf from EMH. However, WRHA is an independent body entirely separate from EMH and MRH in corporate terms.

We work with a range of partners, particularly Parish Councils, Local Authorities, Homes England, and Midlands Rural Housing, and this valued support will be built on throughout the plan period. We also engage with Local Enterprise Partnerships and the established devolution structures, including the West Midlands Combined Authority, and associated West Midlands Housing Partnership.

As a social housing provider our vision is to provide good quality, well-managed affordable homes enabling vibrant communities to thrive across rural areas.

We have a diverse range of customers – from those most in need, to young people, to families and first-time buyers and to older and more vulnerable people who may need support. Our aim is to continue to deliver a mix of different housing of the right types to meet changing housing needs within the rural communities we serve.

We are proud of our forward-thinking attitude to providing good quality services that our residents need and value. This is demonstrated by our adoption of the National Housing Federation's Together with Tenants charter which aims to *"embed a culture that values the voice and experience of residents and strengthens the relationship between residents and landlords"*.

Our Values

Our values are very important to us. They shape what we do and how we do things across WRHA.

Integrity – We work to the highest ethical standards.

Diversity – We respect others for who they are.

Openness – We are honest and straightforward.

Accountability – We are accountable to and influenced by our customers.

Clarity – We are clear about what we are here to do and why.

Excellence – We strive to be the best in everything we do.

These also provide useful principles for our Asset Management Strategy.

We have ambitious plans to provide homes and services to our residents that meet good quality standards and reflect our locally driven, independent values.

But we also recognise and understand the scale of the challenge we face in having the right strategy, plans and actions in place to address the longer-term investment needs of our housing properties. These include:

- Having some older homes that fall short of providing the same quality home as our newer properties
- The limited money available to us as a provider of affordable rented homes to manage and maintain our homes to the standards we would wish
- Levels of thermal comfort that fall below that needed to keep homes warm at an affordable cost to our residents
- The need to develop and cost programmes of work to decarbonise our homes by 2050, bringing all properties up to at least EPC Band C by 2030
- Involving and engaging effectively with our residents in all our repair and investment activities

To meet these challenges, we need to ensure our approach to asset management is in line with best industry practice. It is crucial we stick to our purpose, provide value for money, and make every penny count while providing good quality homes that meet modern standards,

coupled with sensitive, customer focussed services. That is why our Asset Management Strategy is all about **providing homes we can be proud of.**

Our Asset Management Strategy has been designed to help us deliver against our Corporate Plan objectives for the period 2022/23-2026/27. These are to:

- ✓ Engage effectively with our residents
- ✓ Maintain our stock in good condition and invest to meet modern standards of quality, affordability and environmental sustainability
- ✓ Provide high quality housing management services
- ✓ Provide new affordable homes for the benefit of people who need to live or work in rural areas
- ✓ Innovate to achieve lower running costs for our residents and lower delivery costs in construction and environmental efficiency
- ✓ Strengthen and grow partnership arrangements with local authorities, developers, financial organisations and other stakeholders

About our homes

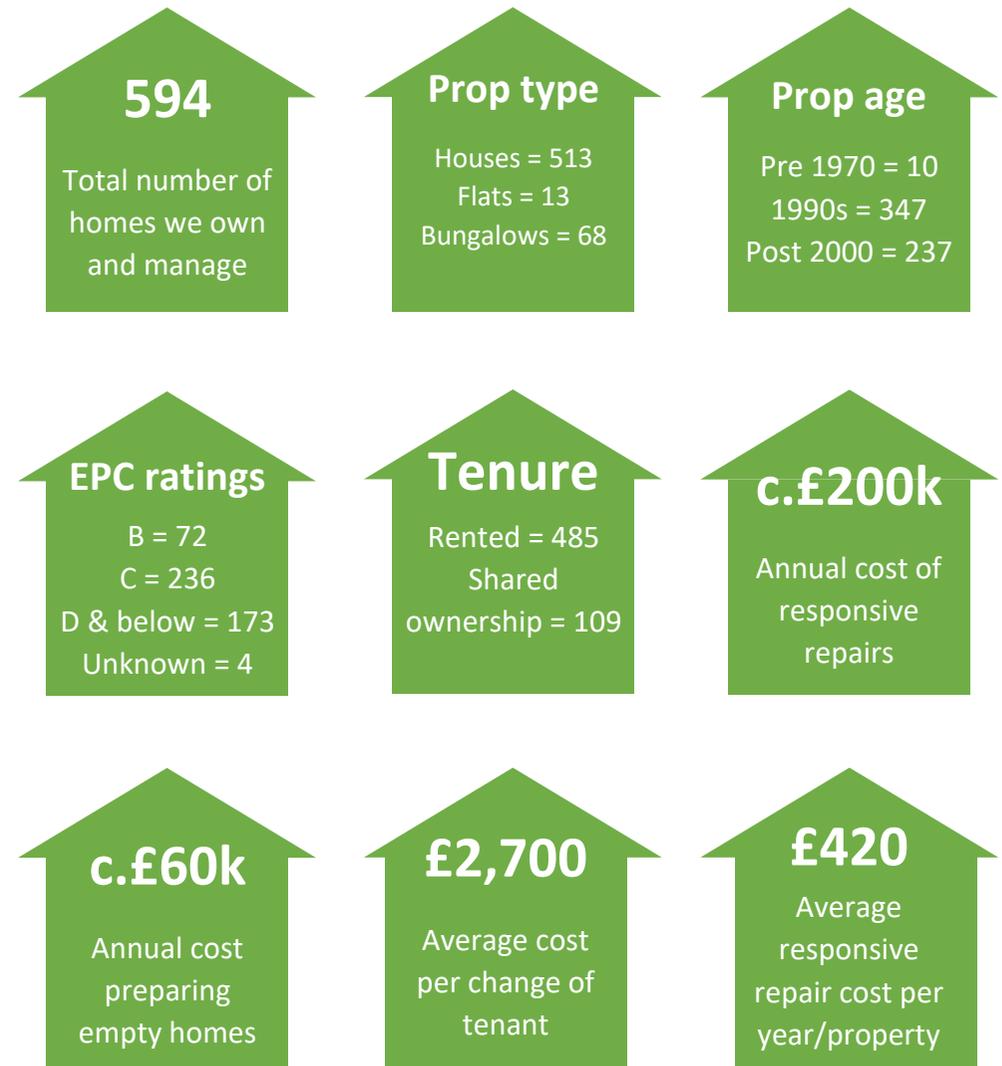
Our portfolio of homes reflects the growth of WRHA over the years. We now have 594 homes across nearly 50 communities across Warwickshire. We provide a mix of properties let at social rents and affordable rents, along with over 100 shared ownership homes.

Most of our homes are relatively new. Only 10 homes were built before 1970, 347 were built in the 1990's and 237 after 2000. Most homes are houses, though we do have nearly 70 bungalows. Just under 500 of the homes are let at social or affordable rents and just over 100 are shared ownership.

We currently spend around £260,000 a year carrying out responsive repairs and preparing properties for reletting. The cost of repairs per property and the cost of preparing properties for reletting are around average levels compared with our peers. We also have an annual programme of planned maintenance of around £400,000.

Despite their relatively new build, around a third of homes have an Energy Performance Rating (EPC) of D or below. All homes must be brought up to a rating of at least EPC C by 2030.

We have relatively low levels of tenancy turnover at around 4.4% of properties each year.



Residents' priorities

At WRHA, we are committed to providing services that our residents want and value. In developing our Strategy, we conducted an extensive consultation exercise to understand the aspirations of residents.

We are pleased that over 80 per cent of our residents want to remain our tenants for as long as possible. Residents were asked to identify their investment priorities over the next 5 years. – the top 5 are shown below.

Our residents tell us they want us to get the basics right. They want to live in homes that are safe and secure.

They want the outside of their homes and facilities such as kitchens and bathrooms maintained in good condition and repairs done quickly.

Residents are concerned about rising energy bills so want us to focus on improving homes, so they are well insulated and more affordable to heat.

Over half of residents want WRHA to maintain their focus on carrying out timely gas and electrical checks, and getting day-to-day repairs done on time and to a good standard.

Almost two thirds highlighted home heating and insulation and half identified up-to-date kitchens and bathrooms as investment priorities. Understandably, not all our residents want the same things. This means we need to be flexible in our approach to investment.

Some residents highlighted the importance of digital connectivity. Others identified home security.

Older residents in particular want homes with adaptable design and flexible layout.

Our Residents' Priorities



About asset management

‘Asset Management’ is the term used to describe the range of activities we need to carry out to repair, maintain and improve all our homes. In planning and carrying out all these activities it is important that we do it in line with our Corporate Plan objectives and that we reflect the changing needs of residents.

While asset management includes repairs and maintenance, it is about much more than this; it is about updating, improving, and investing in properties so they **provide homes we can be proud of**. We need to make sure our homes are suitable for the 2020s and beyond, so they meet the current and future needs and expectations of residents.

We have built our approach to asset management to make sure it tackles a range of important issues and requirements for social housing landlords. To address these, we need to:

- Place a strong focus on the safety of our homes, making sure we effectively prevent and tackle any damp and mould issues or other hazards or repairs.
- Meet all the expectations and requirements of the Regulator for Social Housing, including new ones about accounting to customers on how well we provide services and maintain our homes.
- Bring all homes up to at least EPC Band C by 2030.

- Place an increased focus on the quality and suitability of our homes for meeting the modern day needs and expectations of our residents.
- Make sure our staff have the right attitude and our open and respectful with residents – dealing effectively with people’s concerns and complaints.
- Do everything we can to help our residents cope with the current economic uncertainty and the rising cost of living.
- Recognise that we don’t just need to provide good quality homes, but must also help create and maintain successful communities.
- Clearly understand the condition of our homes and their future maintenance and investment needs – effectively using data and information to inform our work.
- Recruit, retain & develop people in our organisation with the skills, knowledge & behaviours needed in the future.

Our Asset Management Strategy pulls all these issues and requirements together to provide an overarching framework for how we will deliver all our work in this critical area of our business activity.

Our asset management objectives

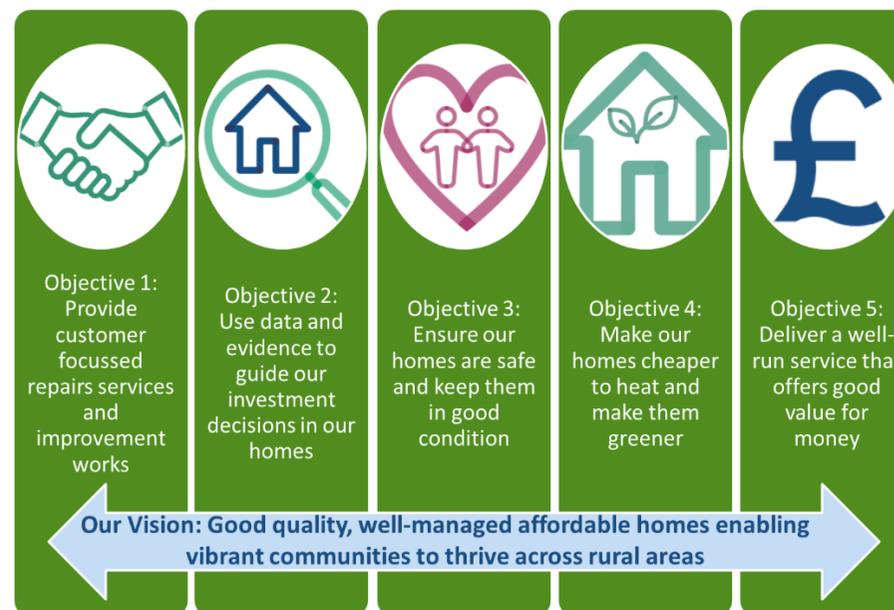
Our Asset Management Strategy sets out how we will go about **providing homes we can be proud of** and is built around five main objectives.

These objectives cover the key issues and priorities we need to address over the next 5 years. They draw on a range of information, data, and knowledge about our homes and how we manage them.

Importantly, the objectives reflect the ambitions of our residents and the views of our board and staff.

The set of objectives have also been arrived at with reference to a range of current factors and challenges facing all housing associations and will help guide our work in:

- Provide customer focussed repairs services and improvement works.
- Use data and evidence to guide our investment decisions in our homes.
- Ensure our homes are safe and keep them in good condition.
- Make our homes cheaper to heat and make them greener.
- Deliver a well-run service that offers good value for money.



Together, our asset management objectives will help us go about repairing, maintaining, and investing in our homes to meet our organisation's role and ambitions, as well as the priorities of our residents.

1. Provide customer focussed repairs services and improvement works

At WRHA, we are passionate about delivering the best homes and services we can for our residents. We will do this by involving, engaging, and empowering our residents as customers in the improvement and modernisation of our services, being open and respectful, listening to their 'voice' and acting on what we hear.

We know that people want us to provide them with information about our services, to have opportunities to engage with us about improving services, and to be able to provide feedback on how well we are performing as their housing provider. That is why we have signed up to the Together with Tenants Charter as this underlines our commitment to working in partnership with our customers.

We know the importance our residents place on how we go about repairing and maintaining their home. People want to access our services in a way that best suits them and be treated as a customer. They want us to improve and modernise our services with works carried out at their convenience, with flexible and responsive appointment systems in place and excellent levels of communication from beginning to end.

We also know that people want to help shape and inform the future standard of homes. Residents are well placed to make a valuable contribution in helping determine what works are carried out in their home, especially longer-term improvements. We will therefore ensure

we seek the views and opinions of residents through surveys, building on our current approaches to develop our understanding of residents' needs & aspirations on aspects such as modern standards of quality and environmental sustainability. We are keen to reflect these standards in our future works and to have discussions about works we plan to carry out in customers' homes in the future. These discussions need to focus on issues around modern quality standards, the cost of living in and running our homes, and environmental sustainability.

We need to understand what features and attributes of our homes are going to make the biggest difference or impact on people's lives so we can feed these into our investment planning activities. This needs to include issues around access to the internet and new digital technologies.

We also need to act on one of the key recommendations of the Better Social Housing Review (BSHR, December 2022). This sets out how we should partner with tenants, contractors, and frontline staff to develop and apply new standards defining what an excellent maintenance and repairs process looks like. We will do this by including residents in collaborative working with our staff and contractors and then ensure they can hold us to account for our performance.

Finally, we will work in partnership with our involved residents group to help shape the services we deliver to customers and hold us to account for our performance.

To develop our customer-focussed repairs services and improvement works we will:

- As part of our Residents' Charter, provide a range of ways for residents to access information, engage with us and provide feedback so we can improve and modernise our services.
- Work collaboratively with our residents using surveys and discussions to shape and inform our future standards and services to ensure they reflect people's future needs.
- Build on our resident survey work to develop our understanding of residents' needs & aspirations in terms of modern standards of quality and environmental sustainability, reflecting these standards in our future works.
- Explore ways we can work in partnership to help improve levels of digital inclusion of residents, now and in the future.
- Use the BSHR recommendation as a catalyst for embedding resident engagement as an integral part of how we plan and deliver all our asset management services, ensuring all staff and contractor partners provide resident -focussed customer service.
- Work proactively with our involved tenant group to help shape our services and hold us to account for our performance, the delivery of this strategy and our decisions.

2. Use data and evidence to guide our investment decisions in our homes

We know that effectively collecting, storing, and using up to date and accurate information and data can help us develop insight to inform and drive our decision making on work programmes. It is also crucial we seize the opportunities to maximise the potential of new technologies across all our activities, including in the specification of parts and materials as we repair, improve and upgrade properties. Ultimately, we want to use a range of modern methods, data and information to help drive up the quality and desirability of our homes, so they are fit for modern living.

Data quality and processes

The quality of the data we hold is vital to good asset management. It needs to be comprehensive, complete, and correct so it can be relied on and used to best effect for our business planning and reporting. It is crucial that we use good quality data so we can:

- Demonstrate how we comply with legal requirements and the requirements of the Regulator for Social Housing.
- See and understand what works have been carried out on all our properties and when they were undertaken.
- See when all building elements, fixtures and fittings are forecast for replacement using a combination of industry recognised lifecycles, adjusting the dates based on day-to-day repairs experience and surveyor and operative assessments.

- Better understand the condition of our homes, as well as the possibilities and costs of improving them over time.
- Make sound, informed decisions on what works need to be done, and when, as part of a flexible, dynamic approach to investing in our homes.

We will therefore develop a data quality policy that sets out how we will record, analyse, and report on how our data is of a high standard. This will help everyone understand and appreciate the need for good quality data and their role in delivering it.

Stock Condition Surveys and business intelligence

Stock condition surveys need to form a key part of how we go about understanding the current condition and future investment needs of our properties. We will therefore actively use the findings of surveys to update our asset management database and forecast the level and timescales for investment in our homes over the next 30 years. We will carry out a stock condition survey of the inside and outside of all homes in 2023, followed by 20% sample surveys every year, meaning we survey all properties over five years.

We also need to collect a range of other information including customer satisfaction data, on complaints, about day-to-day repairs and on our performance in reletting homes. We need to use all this business intelligence to help identify any trends and issues, such as any homes that are costing a lot to repair and maintain.

As we carry out our repair and maintenance, we need to take every opportunity to update our stock condition data 'in real time'. This

means we must embed into our key processes and procedures (e.g., day-to-day repairs, reletting homes, cyclical and planned investment) clear and consistent ways for this updating to take place.

Performance Assessment & Option Appraisal

The Regulator of Social Housing's Value for Money Standard sets out an expectation that housing providers must also be able to demonstrate that they have a full understanding of the return they generate from their homes compared to the costs of maintaining those homes.

We will therefore use our stock condition survey and business intelligence work to help us continually improve our understanding of how well each home will meet its purpose throughout its life. The range of factors includes age, location, current and future maintenance, and investment costs, as well as how well a home meets the modern day needs of tenants. We will feed this information, data, and insight into a stock performance assessment tool designed to assess the viability and overall cost of our homes.

Our stock performance assessment tool will apply a sustainability rating to all our homes that reflects the overall performance against the set of assessment criteria, split into three categories:

- **Green Status** – homes flagged as sustainable that perform well in financial and resident value terms. Full programme of improvement and investment works will be applied.
- **Amber Status** – homes that are flagged as not fully sustainable as some aspects do not perform well. Improvement and investment work to be considered against the components that are failing.

- **Red Status** – homes that are flagged as unsustainable as they do not perform well. Any major improvement and investment works will be subject to comprehensive further assessment and consultation on the future of these assets.



Exemplar graph showing typical asset performance

Based on the outcome of our sustainability assessment, we will carry out a robust analysis of all options to improve the ‘performance’ of our poorest (red) performing homes. A typical option appraisal may include consideration of a range of factors including:

- How well a home performs in financial (NPV) terms (long term income versus long term costs)
- Operational intelligence (data) or judgements on housing management issues
- Neighbourhood problems or issues
- Changing resident needs, demands and expectations.

We will use the outcome of our performance assessment work to help inform our investment programmes of maintenance and improvements to homes. This will include developing a detailed and fully costed 3-to-5-year investment programme that seeks to ‘future-proof’ homes to meet the future needs of residents and WRHA so they remain suitable homes longer-term. In some circumstances, we may need to consider disposing of empty properties if they no longer meet modern day needs. We will make sure our plans and programmes are readily available to staff and residents.

ICT & Digital

The digital revolution provides huge potential for us to adopt new ways to deliver, and for residents to access, our services. We can use smart home technology to reduce maintenance costs while providing greater convenience and lower home running costs for residents. We also need to invest in a high quality, fully fit for purpose information and computer technology (ICT) infrastructure that will optimise efficiency, outcomes, and impacts for us, providing a single version of the truth.

To deliver our intelligent approach to investment we will:

- Develop a data quality policy underpinned by robust processes for recording, analysing, and reporting to ensure that all data is of a high standard, everyone recognises the need for good quality data and how they contribute to delivering it.
- Develop our business intelligence by collecting a detailed understanding of our stock (including and beyond condition) and analysis of satisfaction data, complaints, day-to-day repairs and reletting performance (e.g., identifying high-cost homes).
- Ensure our key processes and procedures (day-to-day repairs, reletting, cyclical and planned investment) are clear and consistently followed with all opportunities taken to update stock condition data in 'real-time'.
- Adopt an intelligence-led approach to measuring asset 'performance' and return on investment for our homes using a performance assessment tool.
- Conduct robust option appraisals that explore all options to improve 'performance' of our poorest performing assets.
- Use our intelligence including 'real' costs and lifecycles to develop a detailed and fully costed 3-to-5-year investment programme that seeks to 'future-proof' homes to meet residents' future needs and remain sustainable longer-term.
- Ensure plans and programmes are readily available to all staff and residents.
- Work to develop an integrated ICT infrastructure that ensures consistency of data across the organisation and a 'single version of the truth'.

3. Ensure our homes are safe and keep them in good condition

We will ensure we take a rigorous approach to meeting all building safety and legal requirements so residents can be confident they are living somewhere that is safe, secure, and kept in good condition. We are committed to having well planned, expertly delivered arrangements for repairing, maintaining, and investing in our homes so we use our limited resources wisely and to best effect. We want to be proud of the quality and safety of the homes we provide, both inside and out.

First and foremost, living in one of our homes means residents can be assured their home is safe and meets all legal, regulatory and governance requirements. This includes meeting the Government's Decent Homes Standard and the Regulator's Home Standard. We will therefore have robust arrangements in place to manage our statutory compliance works of checks, testing and servicing.

Our commitment to ensuring all our homes are safe, free from damp, mould, and disrepair means we will act pre-emptively and proactively to help prevent problems occurring and tackle any issues arising. To support this, we will embed a positive safety culture across the organisation with all staff and contractors acting as 'eyes and ears' to proactively address issues about the safety and condition of our homes.

We will take a considered, 'business-like' approach to the way we plan, design, and deliver all our repair, maintenance, and investment expenditure. This needs to take account of any improvement works we have already undertaken. We also need to achieve high levels of resident satisfaction with our works and services. This means that in putting together and monitoring our work we will:

- Build in some flexibility when planning and delivering repairs and planned investment, so we can respond to needs when they arise.
- Strike an appropriate balance between carrying out replacement of items responsively as and when needed, coupled with carrying out more comprehensive planned programmes of work.
- Develop 'pre-emptive' programmes of planned maintenance informed by a range of key data sources, including day to day repair patterns and stock condition information.
- Set challenging timescales and targets for completing repairs and reletting empty properties with high satisfaction scores.

Responsive & Void Maintenance

Responsive maintenance is the day-to-day repair requests received from residents, while void maintenance covers those repairs and checks needed to re-let homes. Our Relet Standard provides a specification for works following the termination of a tenancy agreement. We generally manage to contain the costs associated with preparing properties for reletting them to a reasonable standard within appropriate timescales. However, we are finding it more difficult to let

some older properties where wall and floor finishes are in poorer condition as these can put prospective tenants off taking the tenancy.

Our responsive and void maintenance service will be procured to ensure the varied maintenance requirements and geographical challenges of our service can be efficiently met and value for money achieved. The service will be monitored against stretching targets to achieve high standards of work quality, response times, value for money, and resident satisfaction with their home.

A percentage of responsive repairs and all void homes will be inspected to ensure quality standards are maintained and costs will be audited. In addition, repair and voids costs and trends will be analysed, as well as resident views and satisfaction to highlight any areas of concern to inform future short and long-term maintenance decisions.

When we let properties, it is crucial we help residents to affordably create a successful tenancy that works out for them. This means making sure our Relet Standard provides for properties to meet minimum standards of acceptable fixtures, fittings, decoration, and flooring. We will engage with residents on these standards.

Cyclical and Planned Maintenance

We have an ongoing programme of cyclical and planned maintenance. Cyclical maintenance covers servicing and routine maintenance work and planned maintenance is our programmed replacement works for fixtures, fittings and building elements that need renewing. Our programme of cyclical and planned maintenance aims to maximise the lifespan of components, ensure installations are checked and serviced

as required and maintain the quality of our homes. Resident choice and input on how we carry out works through consultation and information will be a key part of work programmes.

Our approach to cyclical and planned maintenance will be guided by outcomes from our Performance Assessment Tool and informed by the data within our Asset Management Database. We will place priority on our statutory and compliance obligations and the replacement of components that have reached the end of their useful life. Cyclical and planned maintenance will be procured from multi-trade contractors where multiple component replacement is required over a programme period. This work is competitively tendered and focused on providing value for money. Delivery of work is monitored against Key Performance Indicators to achieve high quality provision, customer service and value for money. Ultimately, we will ensure we invest sufficient resources to ensure all homes are maintained in good condition (100% meet current Decent Homes Standard) ensuring funds are ready to meet any new minimum standard that emerges over the life of this Strategy.

Aids & Adaptations

We will help facilitate aids and adaptations for persons who are eligible, responding quickly to identified needs. In cases where the applicant wishes to remain in their home, we will advise them on how to apply for a local authority Disabled Facilities Grant. For substantial grant funded works consideration to utilising WRHA's own funds to contribute a maximum of £5,000 will be given if the costs can be accommodated in the Association's budget.

To ensure our homes are safe and kept in good condition we will:

- Ensure a robust approach to meeting all health and safety and compliance matters and all regulatory & governance requirements so residents are safe in their homes.
- Embed a positive safety culture across the organisation with all staff and contractors acting as 'eyes and ears' to proactively address issues about the safety and condition of our homes.
- Have robust arrangements in place to proactively work to prevent damp and disrepair issues arising and deal with them promptly and effectively should they occur.
- Take a flexible, dynamic, 'business-like' approach to how we plan, design, and deliver our repair and investment expenditure (day to day repairs, voids, planned maintenance).
- Invest sufficient resources to ensure all homes are maintained in good condition (100% meet current Decent Homes Standard) ensuring funds are ready to meet any new minimum standard that emerges over the life of this Strategy.
- Achieve high levels and outcomes of satisfaction that our homes are safe and in good condition.
- Set challenging timescales and targets for completing repairs with high satisfaction measures when repairs are carried out.
- Set stretching targets for reletting empty homes quickly and at the right standard with strong satisfaction with the home.
- Work in partnership with customers and local authorities to respond quickly to identified needs for major adaptations including opportunities for recycling equipment and rehousing.

4. Make our homes cheaper to heat and make them greener

One of the biggest challenges we face is to significantly improve the levels of thermal insulation in our homes and installing heating systems that use renewable energies. We need to do these works to meet the stretching targets set by government for carbon emissions and energy usage but will also help residents keep warm and minimise their heating bills. Extensive programmes of work are needed to our properties to meet the target of having all our homes meet Energy Performance Band C by 2030.

We have already been carrying out some works to improve the energy efficiency of some of our poorest insulated homes. This means homes use less energy so helps to minimise bills, and it improves the health and wellbeing of residents. We now need to grow this area of our work through a 'fabric first' approach to carefully targeted investment in works that achieve the best results in the most affordable way. We also need to improve our understanding and use of renewable heating technologies, building our own knowledge and skills, as well as working with material suppliers and contractors to improve how they can work with us to deliver the best solutions, drawing on best practice and learning from others.

In addition, we need to reduce the carbon footprint of our organisation's operational activities, so we play our part in addressing climate change and help protect our planet.

To direct this major area of activity we will develop a Decarbonisation Roadmap that sets out our approach to decarbonising our homes around eight key initiatives.

i. Quantifying the works needed

We will work quickly to develop a more complete and detailed understanding of the energy performance of our homes and the retrofit options available for each type of property. We currently hold EPCs for 481 of our 485 rented homes. Of these, 173 have an EPC below band C. It is crucial we move quickly to build on our knowledge and data around the current energy performance of our properties and the nature and scale of the works programmes needed. We can then estimate the cost of bringing all properties we intend to keep in management up to EPC C by 2030. We will set clear targets in the 'road map' to ensure all properties achieve EPC Band C by 2030, delivered on a 'worst first' basis.

ii. Retrofitting homes

Taking a worst first approach, we will focus on having programmes in place to undertake retrofit solutions based on the most efficient, cost-effective, simple solutions that minimise the disturbance to residents. Retrofitting helps to improve a property's energy efficiency through the addition of new technology or features. It can reduce the amount of carbon emissions from the home, thus helping address climate change and it can also help our tenants by making homes warmer and more comfortable to live in, as well as helping minimise money spent on energy bills.

We will therefore develop works programmes that have an initial focus on ‘fabric first’ measures, targeting homes with the lowest energy performance ratings. The works will involve reducing heat loss or energy use in the property through newly installed, replacement or additional insulation measures or features, such as loft/roof insulation, internal or external wall insulation, floor insulation etc. This will be done through an incremental approach to installing additional measures over time or through whole house retrofit where a range of complementary measures are installed as part of one project. We will integrate our retrofit works into our 3 – 5 year investment programme, taking every opportunity to undertake simple measures such as loft insulation and low energy lighting and aligning component replacement programmes wherever possible.

iii. Void properties

We will take advantage of periods when properties are empty to carry out more disruptive works that would be difficult to carry out in occupied homes. These will include:

- Bathrooms – installation of additional insulation including to ceilings, window reveals and internally to external walls with the aim of keeping in more heat, warming surfaces, and reducing the potential for damp and mould.
- Floors – installation of under floor insulation to properties with suspended timber floors.
- Walls – installation of internal wall insulation systems to external walls where this can be undertaken without compromising the size and use of rooms.

- Heating, lighting, and water – replacement of older, less efficient radiators or heating equipment with lower or zero carbon, new LED light fittings and low use/flow water measures.
- Roofs – upgrading of loft insulation to latest standards and/or installation of internal insulation board to ceilings.

iv. Pilot schemes

We will explore the potential of new or additional retrofit or decarbonisation initiatives through pilot schemes, focussed on common property types so initiatives can then be rolled out.

To bring many of our housing properties up to significantly higher levels of energy efficiency it is likely to involve installing measures that use new and potentially innovative technologies. We will therefore need to explore or trial a range of different or alternative solutions.

Our pilot schemes will cover initiatives in the two main retrofit areas of FABRIC FIRST energy efficiency improvements and/or in LOW CARBON HEATING installations. Examples of potential pilot schemes that we may explore include:

- Use of smart technology to understand customer energy use, demand, and environmental conditions within homes. Greater understanding of usage may help target our investment decisions, with a range of activities that could be trialled to progress low carbon investment and behaviour change.
- New external or wall insulation systems as technologies improve, so we can examine and assess ease and cost of installation,

suitability for different types of properties and the impact on energy ratings, carbon emissions and energy costs.

- Floor insulation systems, including retrofit spray insulation systems for uninsulated suspended timber floors, again to assess ease and cost of installation, suitability for different types of properties and the impact on energy ratings, carbon emissions and energy costs.
- New heating technologies, including air or ground source heat pumps, photovoltaic (PV) panels, battery storage systems etc.

v. Finance, funding, and learning

We will need to earmark funding to decarbonise and improve all homes up to EPC C by 2030. This will represent a considerable investment and will need a commitment to this critical area of activity.

We will need to maximise the amount of external funding for decarbonisation works by being alert to potential opportunities and ready to submit applications. It is important we get ourselves positioned and ready to make applications. This means we will need to understand our funding needs by having a strong grasp of information and data on the retrofit needs of our homes, as well as having potential schemes and programmes of work 'oven ready' for if, and when, funding applications can be made. To help us understand and quantify the need for, scope, and cost of retrofit works, as well as identifying and applying for funding, we may need to work with a range of external specialist partners. These third parties may be able to help us better understand and quantify our needs, devise potential schemes of work, apply for funding and/or manage the works on the ground. We

will also seek to benefit from the learning of others based on their experience of carrying out retrofit works and securing funding.

We will work with our residents (including younger residents) to develop our longer-term plans and promoting the success of retrofit and new renewable technologies.

vi. Option appraisal

We will identify and quantify properties that are difficult to treat with retrofit and decarbonisation measures. We will then actively assess the relative merits of carrying out retrofit works, exploring, and acting on the case for taking alternative approaches in line with our overall approach to performance assessment and option appraisal.

Given current technologies, the cost of some extensive retrofit measures and the construction type of some of our properties, we believe it will not be viable to bring all our homes up to an energy efficiency standard that meets our targets or the needs of tenants. It is therefore likely that we will need to dispose of some homes where the improvement costs are very high and/or where the results of installing the measures remain inadequate. We will seek to identify properties that fit into this category by subjecting all our properties to rigorous assessment if the cost of works needed to reach our EPC targets exceeds reasonable benchmark levels. These benchmark levels may change over time due to a range of critical factors.

Our approach to Option Appraisal includes considering a range of input factors including financial and non-financial criteria. As a result of the option appraisal, the outcome may be that some properties need to be

sold, with the funds being reinvested in our remaining stock. As with the use of pilots, the aim is to ensure we meet our objective of 'no regrets' investment, ensuring that the measures we install and costs we incur offer good value for money in the long term and provide homes that provide greater comfort and affordability for residents.

vii. Skills and capacity

Much of the work around reducing the carbon footprint of our homes involves a range of new activities in which we haven't previously had the skills or experience. Therefore, to deliver our decarbonisation ambitions we will need build our capacity through the development of our team and when needed 'insource' new retrofit technical and data management skills.

To improve the environmental efficiency and affordability of our homes we will:

- Work quickly to develop a more complete and detailed understanding of the energy performance of our homes and the retrofit options available for each type of property.
- Develop a long-term decarbonisation 'road map' setting out our approach to decarbonisation, including an approach to retrofit investment based on a fabric first approach, as well as maximising the benefits of pilot schemes and completing works while properties are empty.
- Work with our residents (including younger residents) to develop our longer-term plans and promoting the success of retrofit and new renewable technologies.
- Set clear targets in the 'road map' to ensure all properties achieve EPC Band C by 2030, delivered on a 'worst first' basis.
- Integrate net zero retrofit works programmes into our 3-to-5 year investment programme, taking every opportunity to undertake simple measures such as loft insulation and low energy lighting and aligning component replacement programmes wherever possible.
- Proactively seek out learning from others, external funding and strategic partnering opportunities to support the delivery of our plans.
- Build our capacity through the development of our team and when needed 'insourcing' new retrofit technical and data management skills.

5. Deliver a well-run service that offers good value for money

It is crucial we put the right resources in place to deliver all our repair and investment work and use them to best effect. This means having a skilled and knowledgeable staff team, external contractors, and suppliers, along with the financial capacity to deliver a well procured and managed range of repair and investment works. It is also crucial that we measure and monitor our performance against performance targets and compare ourselves with others through benchmarking, all with the aim of ensuring continuous improvement and value for money.

To do this we will:

- Invest in our people, skilling and empowering them to make decisions.
- Make sure our budgets and works programmes are used to maximise the impact of our expenditure so our financial resources go further.
- Have well planned, expertly delivered programmes of repair, maintenance and investment that use our limited resources wisely and to best effect.
- Leverage in external funding wherever we can and having schemes of work that are 'finance and funding ready'.
- Take a 'business-like' approach to the way we plan our future investment.

- Use innovative, well-designed procurement and contract management practices to maximise the quality, value, and effectiveness of our work.
- Consider the relative contribution our different properties and whole property portfolio brings (through performance assessment), using this to conduct option appraisal.

Performance and Benchmarking

We will have in place a suite of performance indicators for our repair, maintenance, and investment activities. These will be used to regularly measure and monitor how well we are performing, address shortcomings or failings and help drive continuous improvement. We will also benchmark our performance against that of peers through benchmarking groups. Ultimately, we need to better understand how our costs and outcomes for residents compare, acting where costs and outcomes are not consistent.

Staffing and Culture

As we provide not just homes, but also a wide range of services to meet the needs of our residents as customers, it is crucial we recognise the importance, value, and potential of our staffing resources. We will therefore create an attractive place to work and develop the right organisational culture. This will ensure our staff feel valued and the way we work and the tools available supports them to deliver the best possible outcomes for residents.

We will also regularly review our structure and the knowledge and skills we need from Midlands Rural so we can put in place plans to ensure the services we receive and provide are ‘fit for purpose’.

Governance, Systems and Processes

As a social housing provider, we are subject to regulation and scrutiny that is designed to help maintain and raise standards across the housing sector. To help support this we need to ensure we have the right systems in place, improving and adjusting these as needed to reflect the financial and other monitoring and reporting requirements we need to meet. We will ensure our Board receives compliance and other operational reporting. We will also ensure we have the necessary systems and processes in place to report on the new range of Tenant Satisfaction Measures (TSM’s) required by the Regulator.

Partnership Working

As a small organisation, we need to especially rely on and maximise the benefits from working with others to provide the range of works and services we need to have in place. Our partners include the wider Midlands Rural organisation, our contractor service providers, and funders.

We will therefore work to strengthen our approach to partnership working and ensure effective co-ordination of our joint activities, drawing in specialist skills and external resources for the benefit of our residents.

Procurement and Contract Management

It is important that we maximise the benefits of the outsourced arrangements we have in place. We will therefore use innovative, well-designed procurement and contract management practices to maximise the quality, value, and effectiveness of our work.

We will review our approach to procurement to make sure we adopt the best procurement options to maximise value for money and meet the future needs of the service.

We will also strengthen our approaches to project and contract management to ensure our contractors share our priorities and focus on our residents.

To ensure we offer a well-run service that offers value for money we will:

- Regularly review our performance and benchmark with other similar providers to better understand how our costs and outcomes for residents compare, acting where costs and outcomes are not consistent.
- Create an attractive place to work and develop the right organisational culture, where staff feel valued and the way we work and the tools available supports them to deliver the best possible outcomes for residents.
- Regularly review our structure and the knowledge and skills we need from Midlands Rural and put in place plans to ensure the services we receive and provide are 'fit for purpose'.
- Work to improve our governance, systems and processes including financial monitoring and reporting.
- Strengthen our approach to partnership working ensuring effective co-ordination of our joint activities, drawing in specialist skills and external resources for the benefit of our residents.
- Review our approach to procurement and adopting the best procurement options to maximise value for money and meet the future needs of the service.
- Strengthen our approaches to project and contract management to ensure our contractors share our priorities and focus on our residents.

Delivering our asset management objectives

The success of our Asset Management Strategy will rely on our ability to deliver what we have set out to do. We have therefore developed a Delivery Action Plan that picks up and expands on what we have set out to do in our five asset management objectives.

The Action Plan is designed to be a flexible, dynamic, and practical document that we can keep regularly updated. This will ensure it remains 'current', that it is continually monitored and reviewed and that it drives forward our activities and measures them against timescales and targets. The Action Plan covers all the five asset management objectives and includes the development and implementation of several initiatives, strategies, and plans.

While we'd really like to, we cannot deliver everything we want to straightaway as we don't have all the money we need or capacity to do everything all in one year. This means we are going to have to prioritise our time and resources to make sure we strike the right balance in delivering the works and activities across our five asset management objectives. More broadly, through the ongoing development of our Corporate Plan we also need to strike an appropriate balance between the investment we make in our existing homes and our investment in providing much needed new homes through our development programme.

Our progress in carrying out all our asset management work, activities and initiatives will be constantly reviewed by our Executive Team and regularly reported to our Board of Management.

