

JULY 2023 – MARCH 2026 ASSET MANAGEMENT STRATEGY

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1 Executive Summary

- The Asset Management Strategy has 8 principles for delivery that reflect the national context in which asset management is now approached to provide safe, sustainable and healthy homes.

- We recognise that effective asset management holds the customer voice at its heart and is reflected as a key principle in this strategy.
- This Asset Management Strategy ensures that we can respond appropriately to changing priorities and the changing legal framework and environment whilst continuing to make decisions and deliver investment into our homes and communities that meets the needs of our current and future customers.

2 Introduction and context

Our last Asset Management Strategy was implemented in 2021 and was due to be effective until 2025. However, since then local and national focus has changed significantly. We have therefore reviewed and refreshed our Asset Management Strategy taking account of the current climate, challenges and opportunities. Due to reviewing our Strategy early we have not delivered all the original aims we had set out and have therefore taken forward those actions that are still relevant and included them within this document.

Through the life of the last Asset Management Strategy and over the last seven years the focus of our investment in our stock has been on ensuring our buildings are safe and continue to meet the fire safety and building safety legislation introduced through the Grenfell Inquiry.

Over this period, we have seen our repairs costs and demand increase. The success of asset management is striking the right balance between planned and reactive maintenance and therefore we will be prioritising our investment to reduce responsive maintenance through well informed and planned investment works and regular cyclical maintenance programmes, over the life of this Strategy.

Manchester benefits from a strong rental market, however, underlying this we know our stock presents some challenges in meeting our customers' needs. One Manchester recognises that an effective asset management strategy holds the customer voice at its core which means that our homes reflect the priorities of our customers and communities. This Asset Management Strategy sets the direction and will support ensuring that our current and future customers needs are met through the provision of safe, secure and sustainable homes.

Through the life of this strategy, we will meet all necessary legislative requirements ensuring our operations remain compliant and account for the impact of the following factors:

- Fire Safety and Building Safety legislation
- Decent Homes
- The Social Housing Bill and Consumer Standards
- Sustainability and the challenges of decarbonisation
- Customer voice and insight influencing future investment decisions

- Active asset management and the decision to invest or divest in some existing homes to support the supply of new homes
- The current unknown implications of Decent Homes 2, Energy Standards and the Better Social Housing Review
- The cost of living crisis
- The sector response to condensation, damp and mould

The following table provides a general overview and identifies the diversity of our stock. In total One Manchester owns and manages over 12,900 assets, this includes:

| Property type | Number |
|---------------------|----------|
| Houses | 7124 |
| Bungalows | 86 |
| Apartments/Flats | 5531 |
| High rise buildings | 17 |
| Garages | 159 |
| Play areas | 13 |
| Highways | 21 miles |

3 Strategy

Aim

The aim of the strategy is to identify clear guiding principles to define priorities and direct the investment in our stock to provide safe, secure and sustainable homes to meet the needs of our current and future customers.

Principles

This Asset Management Strategy is centred around 8 key principles. These principles reflect customers priorities following extensive consultation with customers in April and May 2023.

Keeping our homes safe

The safety of our customers remains our top priority. The introduction of the Fire Safety Act 2021 and new the Building Safety Act 2021 indicate the changes to come. This legislation together with the recommendations from the Hackitt Review have informed the focus of our Building Safety Programmes for the last seven years and will continue to do so through the life of this Strategy.

Complementing our building safety programmes we will continue to maintain all safety standards through our Healthy Homes programmes and our rigorous compliance testing regime (covering gas, electric, fire safety, lifts, water hygiene and asbestos) that is overseen by our Health, Safety and Compliance Team.

In addition, under this principle, we will implement programmes of work to ensure that our customers feel safe in their home, this includes CCTV and fencing.

What we will do:

- ✓ Continue to deliver the ongoing investment programmes associated with fire safety including compartmentation, sprinklers and fire doors.
- ✓ Implement a whole house ventilation system and monitoring programme to 1000 properties during 2023/24 and 2024/25.
- ✓ Complete the remedial programme to remove EPS insulation systems to our high-rise buildings.
- ✓ Go beyond basic compliance.
- ✓ Review door entry and CCTV across our stock and implement a programme to ensure it is fit for the future.
- ✓ Implement a long term programme of fencing replacement.

Customer voice

Customer voice will be central to the successful delivery of this Strategy. Customer scrutiny is a key enabler and underpins the expectations of The Social Housing Bill and Consumer Standards.

We will engage with our customers to understand their perceptions of their home and communities together with understanding their priorities for future investment and develop our investment programmes based on these priorities. We will quickly establish a customer group with representation from each of our areas. This group will support co-creation of our services and ensure that we are held to account.

What we will do:

- ✓ Introduce a 'quality of homes' customer group representing our neighbourhoods to shape our future services.
- ✓ Run roadshows for customers to discuss their priorities and consult on our investment programmes.
- ✓ Implement a programme of generating customer satisfaction feedback for every planned investment programme.

Data and systems to improve our decision making

The Asset Management Strategy prioritises stock data collection at every opportunity through investment, repairs, major programmes and neighbourhood visits including our tenancy experience visits.

We will improve our insight through the lifecycle of all our property assets by collecting information in a structured manner with regular updates and independent validation. This continued focus will allow data driven decisions to be recommended and identify areas of the stock that require investment and divestment.

Over the last five years we have improved the functionality of our asset management system. Our focus through the life of this Strategy is to ensure that the thread of information linking our asset data with our housing management and repairs systems give greater clarity and rich information to support the development of meaningful long term investment programmes.

What we will do:

- ✓ Complete data integrity exercise for all asset management data.
- ✓ Complete 100% stock condition, HHSRS and EPC assessments by end 2025
- ✓ Bring stock condition and HHSRS surveys in house with a 10% external validation survey.
- ✓ Migrate the asset management data from PIMSS (asset management system) to QL (housing system)
- ✓ Commission and undertake EPC surveys for every property and renewal of EPC when we have completed a fabric/heating improvement.
- ✓ Partner with housing providers to conduct and publish an audit of stock using data standards.
- ✓ Work with local GM providers on the challenges of pre-1919 stock.
- ✓ Implement a contractor portal within QL.

One Manchester homes standard

During 2023/24 following extensive customer consultation we will develop a new One Manchester Homes Standard – informed by our customers and their priorities. The revised standard will also involve a review of the emerging Decent Homes Standard 2 ensuring we meet all statutory requirements including our ongoing approach to condensation, damp and mould.

The One Manchester Homes Standard will review our lettable standard and ensure that appropriate material specifications are used across investment, repairs and maintenance and development to achieve key components lifecycles, supported by cyclical maintenance programmes, which inform the forty-year Business Plan.

What we will do:

- ✓ Implement a condensation, damp and mould policy that addresses root cause.
- ✓ Undertake the 'Big Listen' event through Summer 2023.
- ✓ Pilot, Consult, Develop and Implement a revised lettable standard.
- ✓ Complete a review of the existing useful economical life of key components.
- ✓ Complete an annual review of unit costs.
- ✓ Review the specification of products used for planned investment, development, repairs and maintenance works.
- ✓ In light of any updates to Decent Homes review One Manchester Homes Standard.
- ✓ Review market opportunities and best practice to identify new technologies (IoT) for implementation in 2024/25.

Value for money

The strength of our contract management and delivery is a key principle to ensure that we achieve value for money so that we can invest more in our Homes and Communities. We will refresh our approach to contract management to prioritise customer care, contractor management, performance management and right first time with the aim of achieving high levels of customer satisfaction. We also recognise we need to recruit people with the right specialist skills and experience, as well as developing the skills we will need in the future (as technologies change) from within One Manchester.

What we will do:

- ✓ Review our methods for procurement and our routes to market including contractors and material supply.
- ✓ Implement best practice contract management.
- ✓ Implement a robust post inspection regime for programmed work to improve customer satisfaction and uphold warranties.
- ✓ Review our post inspection process for repairs and maintenance.
- ✓ Implement new management structure and new ways of working under shaping our future.

- ✓ Review the assumptions and spend information in the major repairs programme which informs the Business Plan.

Active Asset Management

Ensuring we provide homes that meet the needs of our current and future customers is a key aim of the Asset Management Strategy. Using high quality data and insight we will define triggers and undertake asset performance appraisals to inform investment and divestment decisions. This tool is ever more important with the age profile and diversity of our stock.

We will establish a refreshed working asset management group that will include all areas of the business and incorporate customer voice. The group will make active asset management recommendations to executive and appropriate board as required.

What we will do:

- ✓ Establish a working asset management group that includes all areas of the business and customer voice.
- ✓ Define parameters that will trigger asset performance appraisals and in-depth reviews.
- ✓ Complete appraisals of our independent living schemes.
- ✓ Complete appraisals of all maisonettes.
- ✓ Through asset performance appraisals we will identify existing stock for development appraisal.
- ✓ Review our adaptations offer.

Sustainability

The housing sector faces an unprecedented challenge in meeting the requirements moving towards net zero carbon in Manchester by 2038 and nationally by 2050. It is expected that substantial funding supporting a fabric first and clean heat approach will be necessary to reach these targets.

Due to the varied nature of our stock, we will be required to trial solutions and work with customers to ensure that the technology that we use enhances customers living conditions. To meet this challenge, we will develop our first Sustainability Strategy which will set out our path towards net zero carbon. The future Sustainability Strategy will be intrinsically linked to the Asset Management Strategy through each of the key principles identified.

What we will do:

- ✓ Consult, Develop and Implement our Sustainability Strategy to ensure efficient and warm homes

- ✓ Pilot 'warm homes' and new technologies where appropriate through the 2023/24 and 2024/25 investment programme.
- ✓ Review the Business Plan with Finance colleagues to accurately model the level of appropriate funding required to support meeting our 2038 and 2050 sustainability commitments.
- ✓ Deliver our successful Social Housing Decarbonisation Fund bid.

Repairs and Maintenance

An efficient and well performing repairs and maintenance service that delivers high levels of customer satisfaction supports the wider aims of the Asset Management Strategy. Demand in this service has never been higher, through the life of this Strategy we will implement a refreshed service delivery model working in localities which will improve our customer satisfaction, reduce customer wait times and improve our fixed first-time rates and recalls.

An efficient delivery model together with increased levels of planned and cyclical maintenance spend will ensure that we have the right balance between investment and repairs and maintenance.

What we will do:

- ✓ Complete the Shaping our Future structural review across the Homes directorate.
- ✓ Undertake the 'Big Listen' event through Summer 2023.
- ✓ Reprocure our materials supply contract.
- ✓ Design, introduce and embed our new service offer for repairs.
- ✓ Reduce the demand on the service by implementing sustained cyclical and planned maintenance programmes.

Key Performance Indicators

The following are the operational metrics which will provide Board and Place Committee with assurance of the delivery of the Asset Management Strategy, the strategy is supported by a detailed action plan;

- ✓ 100% compliance with all Building Safety related disciplines
- ✓ 100% properties meeting the Decent Homes Standards
- ✓ 90% properties rated EPC C or above by 2025
- ✓ 100% stock condition surveys completed by end 2025 and 20% completed annually thereafter
- ✓ 90% customer satisfaction with the planned investment programme by 2025
- ✓ 85% customer satisfaction in our repairs service by March 2026.

Strategic approach

The strategy will be implemented subject to Board approval in July 2023. Progress against the delivery of the strategy will be monitored every six months by Place Committee and annually by Board.

Action Plan

A detailed Action Plan has been developed and is appended to this strategy.