

Asset Management Strategy



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Introduction

Vision

In support of our group aim to “deliver quality homes and thriving communities” it is our objective to create a platform for best in class Asset Management relating to all aspects of property management, incorporating the needs of our customers, stakeholders (both internal and external) and the financial constraints of the organisation. It is our intent to provide over the short and long term excellent quality homes to both our current residents and their successors.

We will stay aware of and adapt to changes in: -

- The needs of our customers
- The regulatory framework
- Strategic objectives of Family Mosaic as a whole

We can improve and sustain performance over the long term through the application of process, development of Family Mosaic staff and superior management of contactors.

This Asset Management strategy is a key component in the mechanism for delivery of this vision and we will continually refer to this strategy as a test of our progress.

We are aware of the need to stay aware of and adapt to changes in our business. We will continually review the needs of our customers, the regulatory framework and the strategic objectives of Family Mosaic as a whole to ensure that the Asset Management strategy and organisation is attuned to the needs of our customers.

Our objective is to implement this strategy through a combination of tactical, mid and long term activities which support our vision

Stock profile

The Family Mosaic portfolio of housing stock is complex, covering 29 London Boroughs as well as a considerable presence in Essex.

Housing Type	No of units	Total
General Needs Housing		16,904
<ul style="list-style-type: none"> • Old Oak Housing Association 	614	
<ul style="list-style-type: none"> • Charlton Triangle Homes 	1,092	
<ul style="list-style-type: none"> • Family Mosaic 	15,198	
Supported Housing		2,974
Temporary Accommodation		1,983
Shared Ownership		2,036
Grand Total		23,897

These figures are correct as of 29 June 2009; these will change on a regular basis through development, sales, acquisition and disposal of properties.

Diversity

We service a highly diverse customer base and as such it is essential that all staff are aware of the correct manner in which to deal with issues that they are likely to encounter.

Our objective is that through diversity awareness training all frontline staff are provided with the necessary tools for them to understand the needs of customers and how they need to operate in order to provide the appropriate service.

Budget and expenditure management

The scale of investment needed to meet the 30 year financial plan for Family Mosaic is reviewed on an annual basis and this guides the top-down budget limitations for Asset Management.

A cornerstone for budget setting is the golden rule of financial probity whereby we shall not expend more than the cash we generate.

Responsive repairs

This area is the greatest driver of customer satisfaction across the organisation. During the year 2008/2009 67,332 calls were received by the three responsive repair partners, resulting in 51,510 repairs interventions being undertaken.

The budget for repairs in 2008/9 was £8m representing an average cost per repair of £149 (total cost inclusive of VAT and vendor costs including overheads, profits and preliminary costs). Similar annual levels of budgetary requirement are expected with increases in stock levels and a move to more pro-active management of both property condition and preventative maintenance.

Our aim is to make year on year improvements to average job cost and the volume of repairs through better management of services and improved contract letting

Customer satisfaction with repairs during 2008/2009 measured by the key indicators is: -

Overall satisfaction with last repair	77%
Overall satisfaction with repairs	72%
Ease of reporting repairs	80%
Helpfulness of call centre staff	82%
Courtesy of call centre staff	85%

Our aim is to improve all areas year on year by a minimum of 1% annually through better clearer understanding of customer needs, learning from customer experience and streamlining the repairs processes.

It is clear that the key drivers of repair satisfaction are the service aspects received by customers - our tenants. When asked what they want from the repairs service the following themes arose:

- Better response time to answering calls
- Clearer understanding by call operators of the issues being explained by the customers
- More accurate appointment times to enable customers to attend these appointments
- Trades people to attend with the necessary skills and materials to undertake the works required
- Follow-on works to be raised whilst on-site (i.e. decorating after plasterwork etc.) and for these to be undertaken within the agreed timescales
- Materials use are to be of high quality and fit for purpose



Call centres

The call centre arrangements are critical to the success of responsive repairs – that staff speak with tenants to understand their requirements. In recognition of this criticality we have determined an ongoing internal benchmark between the call centres and the internal call centre operated by Family Mosaic itself for customer contact matters.

Resident responsibility

The role of the customer in managing their tenancy is highlighted in current Asset Management policy. Whilst the majority of customers quietly enjoy their homes and look after there is a significant minority who don't behave in this way. To address this matter all customers are now pointed to aspects of their tenancy which address items of their "tenant responsibility" (lost keys, broken windows, damage to doors, blockages, etc.) and are made aware that they may be charged to rectify problems of their own making. We will fully implement our new recharging policy in 2009. Application of this policy is carefully managed to ensure vulnerable people are assisted rather than put-off using the services.

Learning from repairs

Learning from repairs is a key objective for Asset Management, utilising the opportunity for analysis which is presented upon responsive repairs. We will actively utilise management information, stock repair and investment history, to spot trends in component and archetype failure and fashion the planned maintenance strategy. This will reduce responsive repairs costs using a just in time method to replace before failure, and give better customer service.

The link between development standards, the quality of our stock and the repairs needs is explored further in the Development Liaison section of this strategy.

High and low usage customers are identified through regular analysis of repairs reported. Properties where irregularly high or low numbers of repairs calls will be managed through a joined-up approach incorporating Housing Management and Asset Management to identify the reasons for the call levels. Actions will then be taken to meet the needs of both Family Mosaic and our customers. This may include the identification of lifestyle issues, property design and construction, sub-letting. The actions will vary on a case by case basis. Each month we review the top 20 users and determining the cause and necessary actions, this will result in the top 240 users being addressed in any year. The low-users are being approached in a similar manner.

Planned maintenance

Increased levels of planned maintenance are provided for in order to address the needs of our properties. The effect of this approach will be monitored through quarterly reviews of the responsive repairs and properties experiencing repeated failures. Those properties identified as having high responsive repairs usage are prioritised for stock condition surveys to ensure a full understanding of the issues at hand. Close cooperation with Housing Management will enable care or management plans to be implemented where these prove to be necessary.

Our objective to undertake 80% of works as planned maintenance and 20% as responsive repairs.

Gas servicing

This is the most widespread form of planned maintenance across the stock. 15,000 properties have gas appliances and we have a legal duty to service these every 12 months. Historically access to homes in order to service these appliances has proved challenging and the number of properties without a valid certificate (CP12) has been higher than acceptable.

The target for CP12 is now 100% and in order to achieve this we employ a number of measures to provide opportunity for tenants to allow access at times convenient to them. If this fails then we will proceed with enforcement action to gain access to the property to undertake the service.

Currently performance achieved through these means is compliance of over 99.5% (July 2009). Further and more cost effective solutions to this challenge are constantly being sought and will be implemented once impact assessments have been completed.

Our objective is to achieve 100% safety through compliance of gas servicing and management of installed systems. This will be through a sustained, robust and informed approach to this requirement.

Lifts and other communal systems

We have over 120 installations of lifts across the estate as well as numerous central plant and security/fire systems.

All communal equipment shall be maintained in accordance with best practice guidelines. Quality checking through representative sampling and process/training reviews shall be undertaken on a regular basis to ensure that works have been undertaken as required.

Adequate and effective reporting mechanisms shall be apparent in all facilities to enable breakdowns, defects or other concerns to be dealt with in accordance with our service standards.

During periodic servicing and condition assessments (made in accordance with manufacturer recommendations and statutory requirements) the need for replacement or upgrade/refurbishment is to be assessed and programmed into the financial and works programme.

Cyclical works

Cyclical works typically include painting and decoration to communal and external areas. Also included within this is the maintenance of the fabric of the buildings including roofs, windows, doors, access ways, garden walls etc.

Ongoing, all investment in cyclical works shall be undertaken on a condition needs basis. This is determined through condition surveys and estate inspections. All properties are now surveyed on a rolling seven year basis (in addition to spot-inspections arising through other interventions such as gas servicing, repairs etc.) and the findings of this inform the cyclical program as well as other investment needs determination.

This seven year survey is a 100% survey instead of a sample based- approach, allowing us to fully understand our properties rather than extrapolating findings across the estate. This may mean that some properties exceed a seven cyclical programme and with the improvements in materials and application processes this is to be expected.

It is expected that some tenants will bring appeals (or concerns) to such instances to the attention of the investment programme manager, on such occasions a re-appraisal of the cyclical investment need will be undertaken and consideration shall be made of the initial determination. Our overall needs include management of our assets, resident satisfaction and or financial constraints shall be considered at all times.

Improvements and investment in properties

We operate to a uniform Decent Homes standard which has been derived in consultation with our tenants. This assesses (in accordance with government guidelines) a combination of age and condition of individual property elements to determine the requirement for investment/improvement.

December 2009 - 96.44% of our stock meets the Decent Homes standard.
Current SAP Rating (SAP 2005) average is 64.52 out of 100.

Over the past year the level of non-compliant stock has decreased from 9% to 3.56%. This Decent Homes position informs the targeted investment/improvement programme, which is currently being rolled out. As information is received and analysed the reported level of Decent Homes failure is expected to fluctuate however the smoothed trend will be downwards.

Our increased investment budget for this (2009/2010) year has the capacity to undertake more than what is anticipated in our current programme (units currently failing) – thus we have the capacity to improve any new properties found to be failing throughout the course of the year.

By continually conducting new condition surveys, monitoring the results, and investing in our stock in this way, we are confident that we can achieve 100% decency on our stock by the December 2010 deadline.

Surveying

Asset Management retains an in-house surveying team for the purpose of undertaking post inspections of works (10% are undertaken to meet regulatory guidelines), inform our Stock Condition Survey database (wherever possible through combining post inspections and stock condition data), undertake Cost Value Reconciliation reviews to inform supplier managers of the value aspect of works undertaken, provide Energy Performance Certificates for new lets, manage complex decisions relating to investment needs and to manage legal disrepair cases.

Through the approach of retaining the surveying team in-house the cost of surveys is approximately 40% of contracted-in equivalents. The flexibility of internal resource is also a great benefit to Family Mosaic, allowing various types of survey to be undertaken at short-notice through re-allocation of staff on a needs basis.

Asbestos management

Asbestos surveys are undertaken on a programmed basis, reviewing all properties which have a likelihood of containing asbestos based on their archetype and age.

All front-line staff (both in-house and contractor staff) are trained in asbestos awareness and are able to identify potential hazards. In the event of any such hazard being identified escalation to a specialist asbestos surveying company.

Asbestos will be monitored, managed or removed depending upon the findings and recommendations of our specialist asbestos advisors. Whilst removal is often preferable (as the need for ongoing monitoring and management is taken away) the financial implications of removal must be incorporated into the decision making process.

Currently there are 1,089 dwellings where ACMs have been identified; this represents 4.56% of all units.



Communications and resident involvement

It is our intent to involve tenants in key decisions that affect them. These include: -

- Procurement activity
- Standards setting
- Development of procedures
- Service improvements
- Programs for investment

To engage with tenants we have a number of tenant forums which draw from the Customer Panel – a group of approximately 900 residents who are representative of the group as a whole. We also involve groups from Supported Housing as they represent specific needs.

Listening to customer feedback and learning from complaints is key to our developing services which meet the needs of tenants. The Customer Engagement team has the express purpose of working with tenants and Housing Management. The team has two main component parts – Quality Assurance (managing service problems which have arisen) and Resident Liaison (managing the interface between customers and contractors to ensure customer choices are exercised and consultation is undertaken), this is usually face to face with residents before and during planned works.

Our aim is to provide meaningful and relevant mechanisms for customers to be involved in crafting the Asset Management service.

Service Standards have been crafted in consultation with residents, these detail the expected outcomes for our tenants in relation to all common services including: -

- Responsive Repairs
- Cyclical Works
- Decent Homes/Investment Works

All contractors are required to adhere to these standards in order that they meet our tenant's expectations.

Copies of all standards and associated documentation are available in a wide spectrum of media and can be translated into required languages to meet the needs of our tenants.

In addition to these, the over-arching service standard for the performance of Asset Management includes how we will respond to requests for works, complaints and other aspects of the operation for which our customers can expect service.

'myplace'

Residents told us they wanted more involvement in how their neighbourhoods were managed. This led to a way of working in partnership with residents now known as 'myplace'.

Myplace agreements are a two way commitment between residents and Family Mosaic, grading estates on a bronze, silver, gold basis, relating to how safe, well maintained and attractive they are. Each estate has an agreement and they are created with participation from residents, staff and contractors. A 'walk and talk' tour of the estate takes place with all representatives present, at which improvement measures are identified. Progress reports of improvement delivery are published on scheme notice boards at regular intervals and each scheme is revisited six months after the walk and talk to measure progress.

Asset Management supports myplace in three key areas: -

- Responsive communal repairs
- Estate environmental improvements
- Cyclical Investment Works

The joint estate inspection process between Housing Officer and Repairs Partner Contractor takes place on an ongoing basis. This sign-off of communal repairs helps to drive schemes towards and maintain a gold myplace status.

The Investment Team in Asset management underpins myplace on Environmental Improvements and Cyclical programming.

Our objective is for Asset Management to actively support the myplace programme.

An expedited communal repairs service level of seven days (for minor works) has been implemented in 2009, enabling prioritization of required communal works. Major works timelines will be determined based on the scale of the requirements and the coordination with other cyclical or investment activity. Staff and contractors are tasked with reporting communal repairs and a "Don't Walk On By" campaign is run across the organisation with the objective of getting our direct and indirect staff to: -

- See It
- Own It
- Fix It

Opportunities for community employment

Through our internal workforce and our substantial contract base we have a great opportunity to provide employment opportunities to our communities. For this opportunity to be realised to its full it is essential that these jobs are: -

- Real
- Valuable
- Sustainable
- Permanent

Our objective is to work in conjunction with our Employment Initiatives division 'Pathways2Work and as part of the Procurement 09 exercise we will establish clear targets for employment which will be contractual obligations for our service providers.

Value for Money (VfM)

Value for Money (VfM)

The delivery of VfM within Asset Management is through challenging management of contracts, costs, quality, processes, customer requirements and budgets.

All service areas have a VfM statement and any changes requested to budgets are considered as long as they have a comprehensive VfM statement supporting the proposal.

Our objective is to show year on year improvement in VfM and to prove VfM in all our activities - showing a clear trail from objective through to delivery. A statement of targets and outputs will be prepared to measure this.

Performance management

Key Performance Indicator (KPI) reporting is undertaken on a monthly basis and incorporates the same measures for all similar contractors. This has been in place since August 2008 and the trend analysis this enables is a valuable source of guidance for the organisation to determine whether improvement is being made in terms of financial, operational and customer satisfaction.



Key Performance Indicators are currently grouped by: -

Voids	turnaround times and costs
Repairs	satisfaction, cost, quality and speed
Decent Homes	satisfaction, number of units and cost
Cyclical Works	satisfaction, number of units and cost

These KPIs are subject to ongoing review in order to ensure the right things are being measured. Ongoing resident consultation on KPIs and target setting is current taking place.

Targets and performance are reviewed annually. Our objective is to continually set increased targets to encourage continued improvement. We will also publish these regularly so that they are available for all residents to review.

Environment and sustainability

We understand our role in the environmental debate. We have a significant number of properties which demand upkeep and ongoing energy to operate them.

Currently there is a significant amount of grant funding available for organisations that make the correct applications and develop programs which meet the applicable selection criteria.

We will continue to benchmark our activities in this arena with other organisations and to seek further funding as and when streams arise.

Our objective is to obtain the most effective funding per property unit within the G15 group.

The need for strategies to deliver affordable warmth is key to the wellbeing of our customers. We are approaching this in a rounded way including the specifications of equipment, access to benefits and entitlements (including financial inclusion needs) and educating residents in the best ways to heat and manage their homes.



Aids and adaptations

Adaptations to enhance customers enjoyment of their homes are provided by Family Mosaic where funds allow. We aim to undertake minor adaptations without delay up to a value of £1,000 per instance. Above this threshold we engage with local authorities to seek grant funding to meet all or part of the funding needs of adaptations necessary. We work actively with a specialist grant funding agency to obtain as much external funding as is available. Works are commissioned through contract partners to ensure best value is obtained for our stakeholders.

Asset Management employs a dedicated specialist in managing aids and adaptations and through their close management of requests and works are endeavour to meet as many of our customers needs as possible. Budget and building design constraints do however result in instances where adaptation is not possible and recommendation then has to be made to not undertake works and for alternative options to be sought to meet the needs of the tenants. In such instances the case will be discussed with the responsible Housing Officer and what support as it available will be offered to the customer.

We have a strong foundation for the sustained delivery of our vision - "deliver quality homes and thriving communities".

We are organised and resourced to provide excellent services and decent homes to all our current residents and their successors.



Glossary

Supported Housing

Supported Housing, Agency Managed, Care and Nursing Homes and Sheltered Accommodation

Temporary Housing

Temporary accommodation units for the homeless

Old Oak Housing Association

A Housing Association established to manage homes on a cottage estate in Hammersmith and Fulham

Charlton Triangle Homes

A Housing Association established to transfer interwar and immediately post-war flats in Greenwich

Shared Ownership

Formerly Landmark Housing Association - originally the vehicle for providing affordable homes for teachers, now for key workers, shared ownership and low cost home ownership

The breakdown of our property portfolio by number of rooms is shown below:

Bed size	General Needs	Supported Housing	Shared Ownership	Temporary Housing	Total
Bedsit	415	809	967	43	2234
1 Bed	4,622	1,882	204	855	7,563
2 Bed	6,714	183	435	1,001	8,333
3 Bed	4,125	43	292	124	4,584
4 Bed	887	42	72	9	1,010
5+ Bed	141	15	13	4	173
Total	16,904	2,974	1,983	2,036	23,897

Further analysis and breakdowns of our stock can be reviewed in the appendix to this document or (for most recent data) online through the provided hyperlink.