



Asset Management Strategy 2024-29

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Introduction

Overview

EPIC is committed to managing, maintaining, and investing in its built assets ensuring long-term sustainability in the provision of appropriate, high-quality affordable homes for its tenants. Our approach to Asset Management is embedded in our Corporate Plan to help us deliver our commitment to our tenants and wider communities.

This Strategy is supported by the Sustainability Strategy and Stock Rationalisation Policy.

Background & Direction of Travel

This strategy is the outcome of a fundamental review of the previous strategy written in 2022. The aforementioned largely focused on regulatory improvement and recovery with in year actions. These business-as-usual elements remain valid and should be taken as included in this strategy and will be continued to be delivered, monitored, and reviewed.

As part of the review of the previous strategy, improvements that are still in progress have been identified and are included in this strategy. This strategy aims to build on our previous Asset Management Strategy and to set out our approach moving forward.

Strategic Context

This strategy continues to address the context and landscape within social housing and aims to meet the complex and competing priorities creating both financial and resourcing challenges, with a more holistic data-driven approach to meet the needs of the tenants. The Strategic Context of this Strategy is non-exhaustive and linked with corresponding internal documents.

Future Homes Standard 2025

Currently in consultation, the Future Homes Standard makes provision for fuel and power in buildings by limiting heat gains and losses and providing fixed building services which are energy efficient and have effective controls when carrying out retrofit work.

Social Housing Regulation Act 2023

This strategy meets the requirements of the Social Housing Regulation Act 2023 with particular reference to ensuring our tenants' homes are safe and secure and in good repair and the anticipated change to decent homes.

Strategic Dependencies

This strategy is underpinned by relevant supporting policies and procedures with sustainability embedded into our holistic approach. Our funding and financial controls support our approach to asset

management, included in our long-term financial plan, approach to asset appraisal and improvement, and resourcing requirements. Any values quoted in this report are at current prices.

The Purpose of the Strategy

This Strategy has been established to guide EPIC's proactive approach to asset management. It provides a sound basis on which to make investment decisions that help create homes and communities that tenants are proud of.

The purpose of this Asset Management Strategy can be summarised as follows:

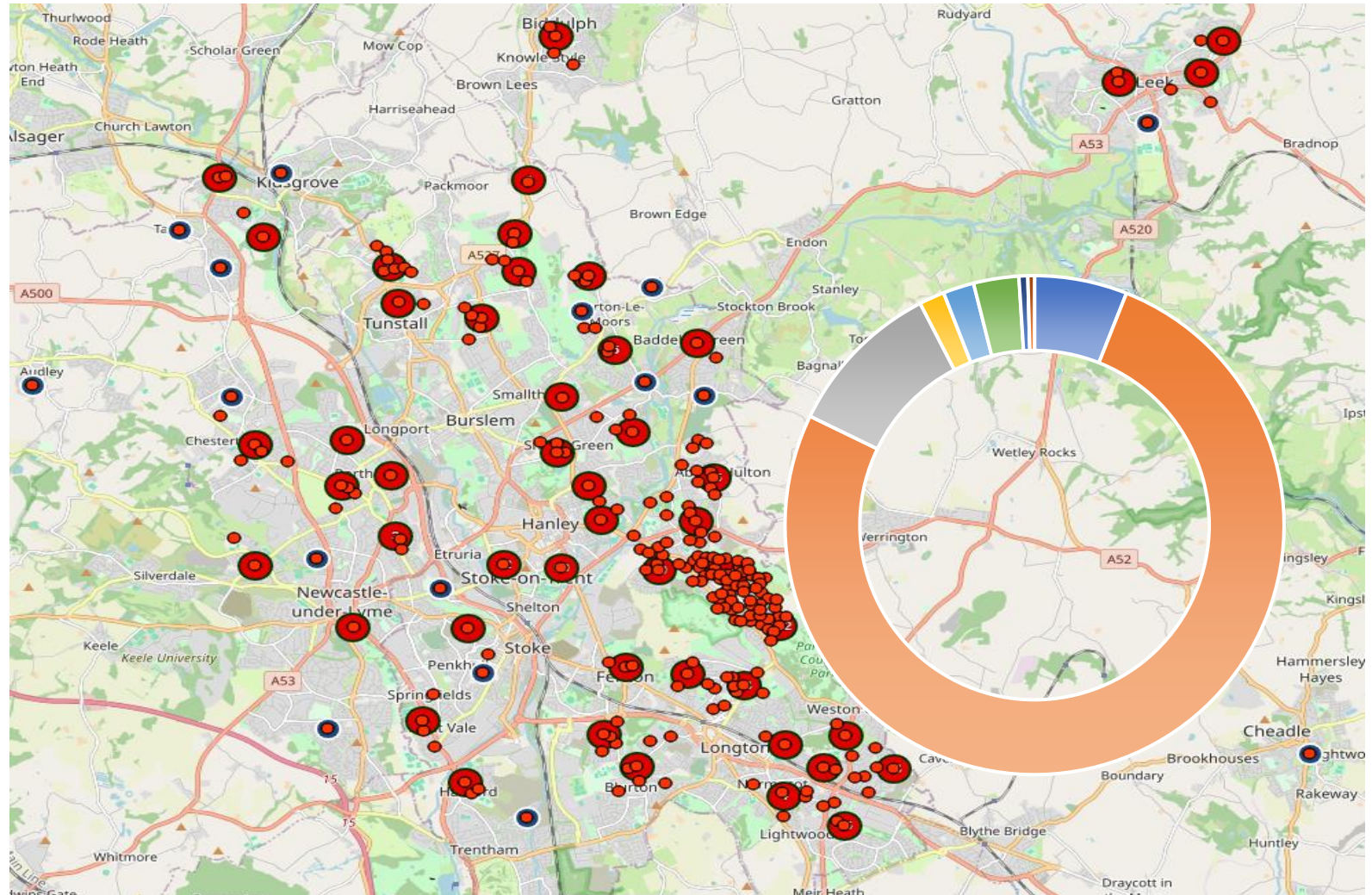
- To present our current properties, demand and tenants' needs.
- To identify EPIC's position regarding asset data and how this aligns with core business objectives.
- To define the stock, its condition, use, and re-investment required over the next 30 years.
- To expand on EPIC's approach to sustainability.
- To present the methodology to appraise our homes with our stock rationalisation policy.
- To confirm all policies for decent homes and asset compliance.
- To establish a method for monitoring, recording, and evaluating performance.

Our Homes

EPIC Housing manages a housing stock of 1,407 dwellings including 49 communal blocks containing 295 flats; all other flats are in blocks with no communal space and a street front door. Much of the housing stock is traditionally built, low-rise flats, houses, and bungalows. The distribution of property by archetype and geography is indicated below.

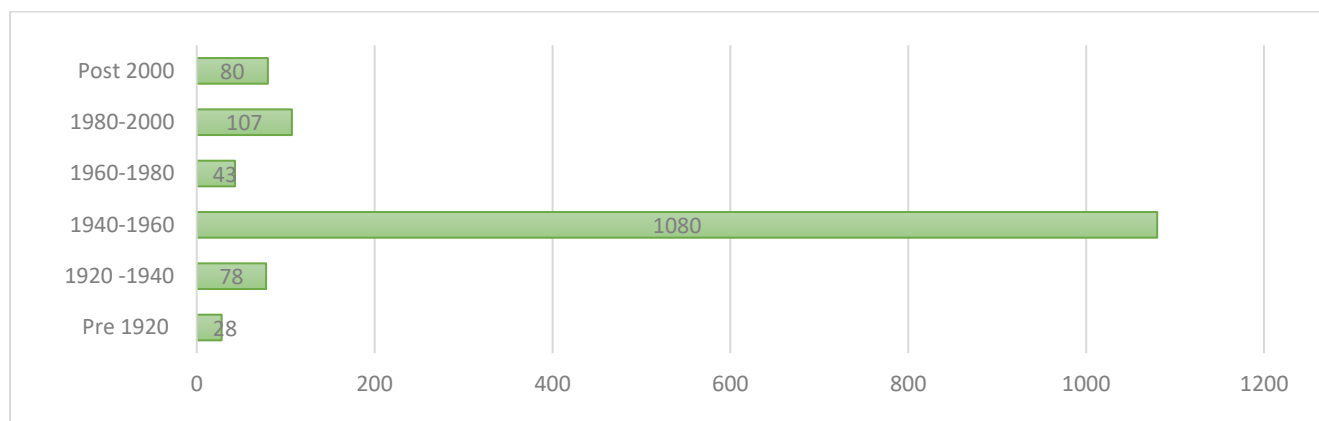
Geography

EPIC's housing assets are dispersed across Stoke on Trent and the surrounding areas. With much of the stock centralised around our key areas, Bentilee (ST2), Hanley (ST1) and Meir (ST3) and the surrounding environs. The density of our homes puts EPIC in a unique position to be a strong community-based organisation.



Age

Most of the stock was built in a short window post war 1948-1955, forming Bentilee.



Archetype

Type	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms	Total	% of stock
Bungalow	4	29	1		34	2%
Flat	261	749			1010	72%
House	6	180	172	5	363	26%
Total	271	958	173	5	1407	

Tenure

Included in our stock we have a variety of tenure types from assured tenancies, leasehold, shared ownership and supported ownership. The number of leaseholds, shared ownership and supported housing tenures are very low totalling 56 units.

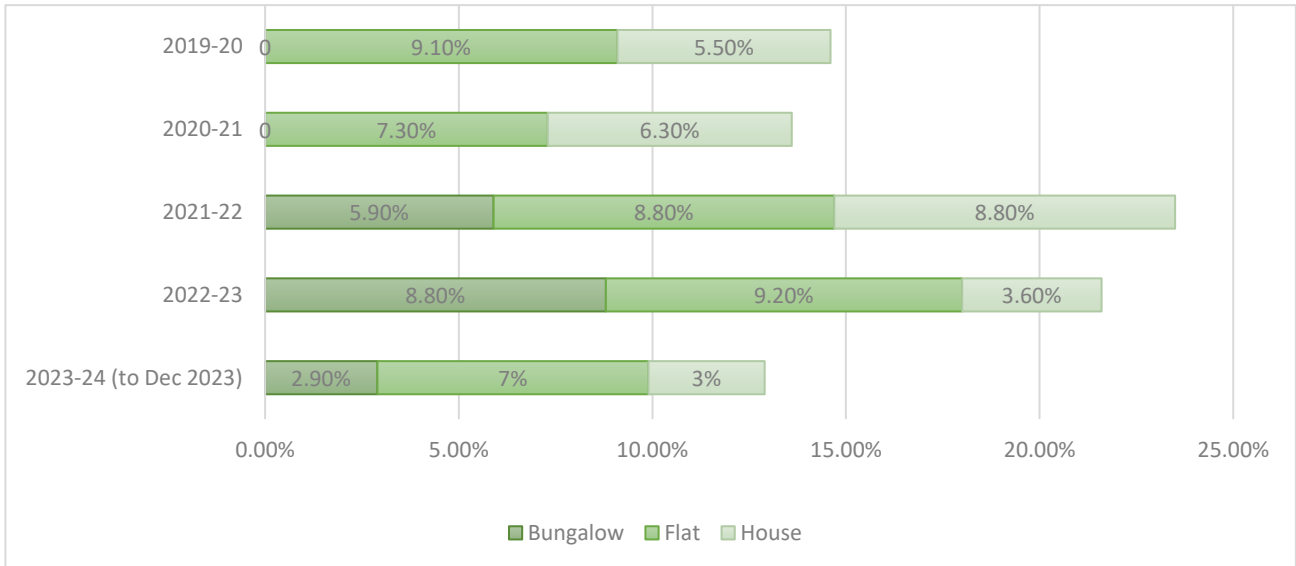
Other property assets owned by the organisation are our office on Ubbertley Road (a converted block of six flats) and an office block in Meir, currently used as a meeting and office space. And four shops which are managed and rented out by Stoke-on-Trent City Council.

** not included in the presented data.*

Housing Need

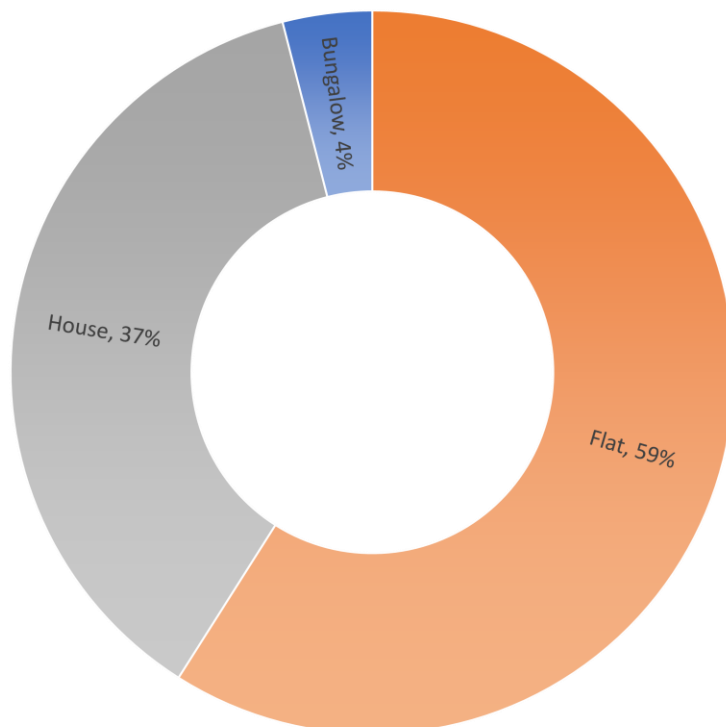
Turnover

The turnover in property is consistent and unlikely to change. With such small unit numbers, higher percentage changes are seen from small variations.



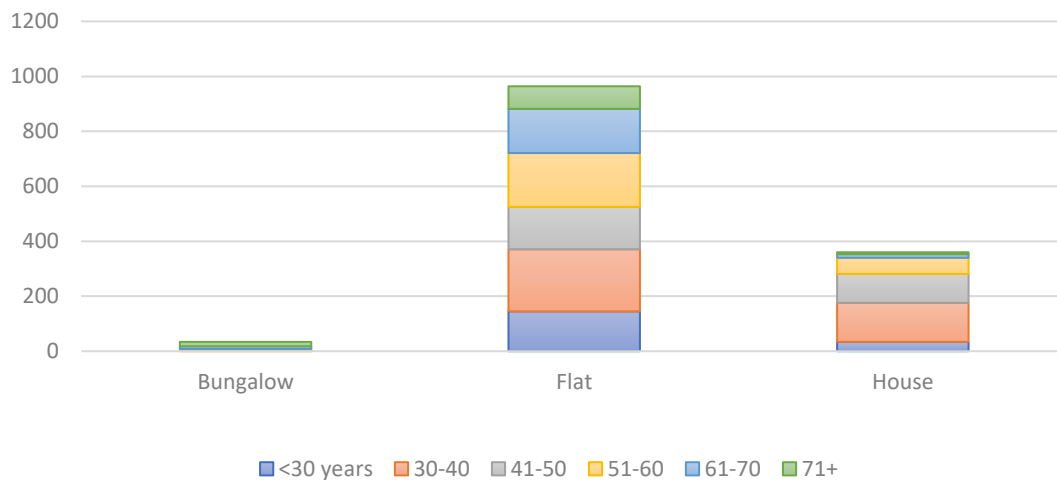
Demand

Of our current waiting list, 59% of our prospective tenants are looking for a flat. However, 37% are seeking a house, which outweighs our current provision. The portfolio generally benefits from high demand in most areas, changing tenants' expectations and limited stock archetype reduces our capacity to cater for a population with changing needs. This need is weighted into our approach to stock rationalisation.



Engagement

Current Tenants

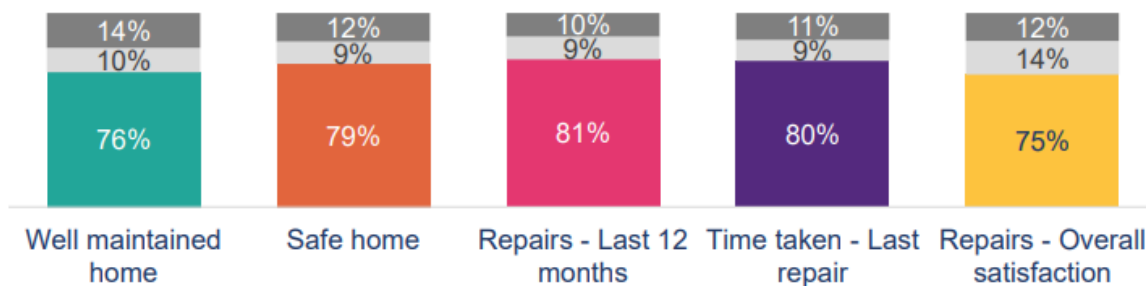


Of our current tenants, 78% are below the age of 60 and reside in a flat or house, there is a relatively even distribution by age.

STAR Tenant Satisfaction Survey

During August 2023, EPIC conducted a STAR tenant satisfaction survey. The survey was designed using the new Tenant Satisfaction Measures from the Regulator of Social Housing, which became mandatory from April 2023 and will be reported for the first time in 2024. The outcomes of this have informed our learning and approach in developing this strategy.

The survey included a focus on quality of homes; we feel this is a critical factor in ensuring our tenants are satisfied with their homes and the service we provide.



Three-quarters of tenants (76%) are satisfied that their homes are well maintained, while slightly more tenants are satisfied that their homes are safe, (79%), which is common in surveys of this kind. Dissatisfaction with the home is relatively low, at 14% and 12%, respectively. Additionally, three-quarters of tenants (75%) are satisfied with the overall repairs and maintenance service, with just 12% dissatisfied. Some 74% of tenants stated that they had a repair carried out to their homes in the last 12 months. Of these tenants, 81% are satisfied with the overall repairs service during this period, with a similar number satisfied with the time taken to complete their last repair (80%).

We can see from the results and associated feedback that our main challenges are associated with having a 'well-maintained home.' This strategy ensures that we can improve the condition of our properties further and support tenants in the current climate.

We are committed to engagement and listening to our tenants for all aspects of their home and environment, ensuring we will:

- Develop a mechanism through which to consult and engage on future programs in line with our Resident Involvement & Engagement Policy;
- Ensure there is tenant involvement in decision making and specifications; and
- Proactively seek feedback from tenants via our annual STAR survey, through real-time feedback, focus groups and online consultations.

Data

Successful knowledge and information management starts with an understanding and appreciation of its benefits to both the landlord and its tenants. Robust stock condition information is a cornerstone of this and fundamental to an effective asset management strategy, giving rise to programmes of re-investment designed to maintain and improve homes.

Stock condition data will be enhanced and validated by an ongoing programme of stock surveys and feedback from other repairs and activities.

Stock Condition Surveys

Having accurate and up-to-date Stock Condition Surveys are vital to understanding the current standard of our properties, as well as being able to carefully project the investment requirements over the 30-year business plan.

Over the course of the last 5 years, stock condition surveys have been carried out in 89%. A rolling stock condition survey programme will be developed and delivered within the first year of this strategy, with an expanded scope to include relevant associated components (e.g., fencing) to allow data-led community based investment with a commitment of 20% rolling inspections a year.

Information from other sources

Stock data is also obtained from cyclical boiler servicing, electrical testing, repairs, and all major works contracts. We will also collaboratively work across operational teams, using local knowledge and asset intelligence to further inform how, when and where we deliver investment to maintain and improve our stock to optimal effect.

Analysis of this information will be developed further to identify trends and excessive repairs, understanding where investment may require redirection. By analysing this information, we will deliver a more active asset management solution through active data gathering, allowing risks and strategic dependencies to be quantified.

Optimising the utilisation of assets to reduce costs and improve productivity. Interrogating data to identify materials or components which are more costly to maintain or where we are seeing repeat failures. These will be used to continually improve our quality standards and specifications.

Data Management

Asset data is currently partially stored in the housing system and combined on individual spreadsheets in Excel.

As part of our Digital/IT strategy, the need for an asset management system has been identified. This will be implemented in the first year of this strategy. This system will combine all condition data within it to provide a modern, comprehensive, and easily maintainable system.

We will develop organisational key data recording standards and workflows that will ensure good records that support the business and demonstrate compliance with national standards on how our data is created, stored, used, and shared.

Investment

EPIC is committed to ensuring homes meet the needs of tenants, ensuring the provision of appropriate affordable homes that are safe, fit for purpose, of good quality and contribute to sustainable communities.

Investment Priorities

These works will be completed as per our investment priorities, as set out below:

- Any health, safety, or wellbeing requirement.
- A repair/replacement that prevents a further higher cost.
- Meeting the decent homes standard in the strict definition.
- Programmed capital work streams to provide value for money.
- Improvement works.

30-Year Forecast

Analysing and giving weight to data, based on current stock condition survey information, the LTFP, the projected planned investment requirement, and based on the condition of the major components of our properties and their limited lifespan over the next 30 years is set out below.

Component Spend with Smoothing



The data from these surveys has then been extrapolated to determine the investment need of the housing stock. This is £30.7m over 30 years (any values quoted in this strategy are at current prices uninflated and excludes net zero costs). Continued rolling stock condition surveys will smooth this investment programme further.

Repairs

EPIC recognises the requirement for a balanced approach to reactive repairs and planned preventative maintenance. Historically, repairs and maintenance have been completed primarily on a reactive basis.

Within the life of this strategy, we will reduce reactive maintenance spend with intelligent investment and proactive data-led improvements. In instances where high-component repair spend is needed reactively, this will be done in an economic way to review the lifecycle of the component.

We will explore efficiencies as part of contract procurement including to further improve efficiency, including:

- Logging all repairs calls in-house directly.
- Contractor Access Portal.
- Workflows within CX.

Voids

During the completion of our void works, we ensure that our properties fully meet EPIC's Home Standard. Due to this, we have seen an increase to our void cost. However, this spend is reflective in reactive spend

and component lifecycles. We will continue to ensure our voids meet our Home Standard, anticipating a future cost reduction in responsive and void works with the ongoing investment.

Other

As part of our continued improvement, during the life of this strategy, we will further invest in our stock ensuring they remain viable and meet our corporate objectives, including:

- Cyclical programmed investment review with the aim to carry out communal decoration in our blocks.
- Improvement works as part of investment projects such as fencing renewal, lighting upgrades, carpet installation and landscaping to improve the community, layout and space.
- Aids and Adaptations. We have a limited number of properties which have adaptations designed to meet the needs of those with disabilities and reduced mobility.
- We will maintain suitable links with our local authority partners to ensure that we can support reasonable adaptations to our properties and provide advice to tenants on access to funding, such as Disabled Facilities Grants.

Sustainability

EPIC is focused on providing energy-efficient homes that are suitable for modern living and are affordable. We understand the important part we play in the global response to climate change and aim to deliver long-lasting positive change. Our approach to sustainability is underpinned by the supporting sustainability strategy where we have set three targets:

- 100% of our homes will be EPC band C or higher by 2030.
- Improve tenants' wellbeing by reducing concerns about energy bill costs and their homes' thermal comfort.
- Become Net Zero Carbon in our operations (Scope 1 and 2) by 2035 and in our housing and supply chain (Scope 3) before 2050.

Supporting this, we have committed £660K to reach EPC C by 2030 and £6.6m to achieve net zero by 2050. The profile of which is outlined on the chart below. We will further support this by ensuring energy efficiency is a key consideration in component replacement and specification, such as:

- The installation of energy efficient central heating systems.
- The installation of double glazing.
- The improvement of loft insulation to maximise efficiency.
- The use of low-energy light fittings



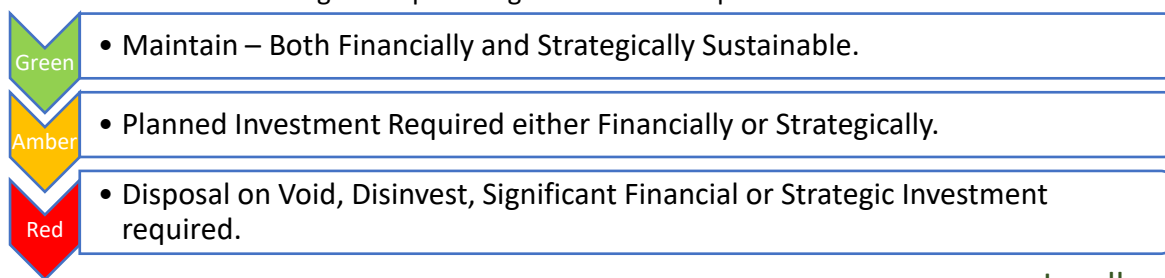
Stock Rationalisation

With our supporting Stock Rationalisation Policy operating as the framework, the data we hold on our stock will support our strategic decision-making, allowing us to weigh the financial, social, and strategic values of properties.

This formal approach to stock rationalisation supports sound, strategic and ethical data-led decisions on investment, divestment, and disposal to ensure value is achieved and properties are fit for future needs.

Supporting our Corporate Plan, we will focus on the geographic areas around our main areas of operation (Bentilee, Hanley and Meir) and surrounding environs, to ensure we are best placed to be a strong community-based organisation, providing opportunity for centralised growth.

During the life of this strategy, a classification system will be adopted across all properties owned or managed by EPIC to provide comparative grading. Allowing the full stock to be profiled, this insight will inform our decision-making thus optimising our investment priorities.



Landlord

Compliance

The focus on compliance and building safety has rightly been brought to the forefront of the housing sector. Our approach to compliance is outlined by our Compliance Strategy, with a full suite of supporting policies and procedures to ensure compliance which are regularly reviewed and monitored:

- Fire Safety Policy
- Asbestos Policy
- Gas Policy
- Electrical Policy
- Water Hygiene Policy

Whilst not classed as an area of legislative compliance, the same approach is taken to damp, mould and condensation.

Decent Homes Standard

All homes let by social landlords must comply with the DHS. This means that the home:

- is in a reasonable state of repair;
- has reasonably modern facilities and services; and
- has a reasonable degree of thermal comfort.

As part of our rolling stock condition inspections, we will ensure our homes meet the decent homes standard, maintaining this as per our investment priorities through a holistic review renewing components sustainability.

In anticipation of changes to the decent homes standard, we will be proactive in exploring.

- Measures to improve water efficiency and alleviating water poverty by reviewing fittings and appliances specification on replacement.
- Outdoor spaces and biodiversity as part of our Sustainability Strategy.
- Floor coverings providing in void properties.

Communication, Monitoring and Review

The strategy will be communicated with tenants and external stakeholders and will be published on our website.

The strategy will largely be monitored through the supporting Action Plan, which will be cascaded into individual targets and objectives as part of the wider Corporate Plan.

The strategy will be reviewed every three years, with the supporting Action Plan being advised and updated. At these review points, new strategic objectives and commitments may be developed to replace those completed or reacting to changes in the external environment.

Action Plan

Strategic Theme	Actions
Data	<ul style="list-style-type: none">• A rolling stock condition survey programme will be developed and delivered within the first year of this strategy, with an expanded scope with a commitment of 20% a year.• Develop further analysis of responsive repair information, delivering a more active asset management solution through preventative works and specification improvements.• Implement in the first year of this strategy, an asset management system providing further assurance on data integrity.• Develop organisational key data recording standards and workflows that will ensure good records that support the business and demonstrate compliance with national standards on how our data is created, stored, used, and shared.
Investment	<ul style="list-style-type: none">• Develop a mechanism through which to consult and engage on investment programs in line with our Tenant Engagement Strategy.• Ensure there is tenant involvement in decision making and specifications.• Proactively seek feedback from tenants via our annual STAR survey, through real time feedback, focus groups and online consultations.• Smooth investment programme further with rolling stock condition surveys.• Reduce reactive maintenance spend with intelligent investment and proactive data lead improvements.• We will explore efficiencies as part of contract procurement including to further improve efficiency through exploring improvements such as logging all repairs calls in house directly.• Continue to ensure our voids meet our Home Standard, anticipating a future cost reduction in responsive works with the ongoing investment.• Explore the continued investment in our stock, improving the community, layout, and space.

Sustainability	<ul style="list-style-type: none">• 100% of our homes will be EPC band C or higher by 2030.• Improve tenants' well-being by reducing concerns of energy bill costs and their homes' thermal comfort.• Become Net Zero Carbon in our own operations (Scope 1 and 2) by 2035 and in our housing and supply chain (Scope 3) before 2050.
Stock Rationalisation	<ul style="list-style-type: none">• Introduce our approach to stock rationalisation, supports sound, strategic and ethical data led decisions on investment, divestment, and disposal to ensure value is achieved and properties are fit for future needs.• During the life of this strategy a classification system will be adopted across all properties owned or managed by EPIC to provide comparative grading.
Landlord Compliance	<ul style="list-style-type: none">• Continue to assure full compliance with the 'big 5' compliance areas with a full suite of supporting policies and procedures.• Continue to ensure our homes meet decent homes standard. Maintaining this as per our investment priorities through a holistic review renewing components sustainability.• We will also continue to conduct all works in line with our EPIC's Home Standard ensuring decency.• We will proactively explore continued improvements in our stock ahead of changes to Decent Homes Standards.