
Asset Management Strategy 2009 – 2013

ASSET MANAGEMENT STRATEGY

Contents

	Page No.
1 Executive Summary	3
2 Stock Condition	5
3 Delivery of the Asset Management Strategy	8
4 General Asset Management Issues.....	15
5 Procurement	16
6 Tenant Involvement	17
7 Risk Management.....	17
8 Equality and Diversity	18
9 Monitoring	19
10 Contact	19

Appendix A - Planned Responsive Repairs Budgets 2009-10

Appendix B - Medium-Term Financial Plan Summary

Appendix C - Capital Programme January 2010 to March 2011

Appendix D - Asset Management Strategy Model

Appendix E - Reference Documents

1.0 EXECUTIVE SUMMARY

1.1 Links to Corporate Priorities

This Asset Management Strategy has been drawn up to deliver Rykneld Homes Mission, Values and Strategic objectives as set out in the Business Plan 2009/10, where the principal Asset Management objective is to:

“Successfully manage, maintain and improve the Council’s homes and surrounding environment”

RHL’s Values set within its Business Plan relate to Tenants/Leaseholders, Quality, Business conduct, workforce, inclusion, communities, Neighbourhoods and partnerships.

The Asset Management Strategy also contributes towards the delivery of the North East Derbyshire/Chesterfield Community Strategy for the period 2005 to 2015 which has as a key Homes and Neighbourhood objective,

“To support the provision of good quality, affordable homes to meet current and future needs and demand and ensure the neighbourhoods in the area are places where people are happy to live.

The principle public housing aim is to “Improve the standard of public sector Housing stock”.

1.2 Categorisation and Scope of maintenance activities

Rykneld Homes subdivides building maintenance into a number of different types of work, each of which is used to fulfil a particular purpose during the life of a dwelling. The six principal types described in this Asset Management Strategy are:

- Responsive Repairs (reactive work and planned schemes).
- Planned Programme Maintenance.
- Cyclical Maintenance.
- Void/Management and Maintenance.
- Decent Homes/Major Works.
- Adaptations.

1.3 Aims of the Asset Management Strategy

The Aims of the Asset Management Strategy are to meet Rykneld Homes’ strategic objectives and balance the competing needs for investment in order to:

- Contribute to the delivery of Rykneld Homes Mission, Values and Strategic Objectives set out in its Business Plan 2009/10.
- Contribute to the delivery of the Business Plan 2009/10, Annual Efficiency Statement, Performance Indicators and targets set for 2009/10.
- Maximise all Investment aspects, from utilising efficiencies gained from efficient delivery of Services, to securing a 2 Star ALMO assessment best placing ourselves to secure ALMO funding from our £64m bid, and seeking alternative forms of investment funding.

- Inform the ongoing development and profile of the Long-Term Housing Regeneration Strategy.
- Secure ongoing and improving Tenants' Satisfaction.

The Asset Management Strategy is interdependent with all key Rykneld Homes Strategies which are reviewed annually as part of the development of the Business Plan to ensure that they are fit for purpose.

The Asset Management Strategy is built on the foundation of the Stock Condition Survey completed in November 2007, which has been subsequently informed by the Non-Traditional Structural Stock Condition Survey completed in April 2008. The results of the Stock Condition Survey provide an estimate of short, medium and long-term maintenance and repairs costs for the entire stock over a thirty year period and gives an indication of the level of investment specifically required to meet the Government's Decent Homes Standard.

Rykneld Homes have agreed with Government that 'meanwhile' works will be carried out to the Non-Traditional Stock where some form of Regeneration may be required within the next 5 years e.g. Tru Steels/Tarrans to protect the Asset Value of the stock and ensure that homes are wind and weather tight, pending Regeneration options, so as to prevent regeneration blight. Decent Homes funding can be used for such works.

Tenants and Leaseholders

Our commitments to Tenants and Leaseholders are set within all key RHL Strategies/Policies, specifically those relating to Strategies for Tenant Involvement and Leaseholders.

RHL's has particular regard to the Asset Management Key Lines of Enquiry and the draft TSA "Home "Service Standard.

1.4 Sources

Rykneld Homes has a number of guiding sources which underpin the Asset Management Strategy. They include the:

- Stock Condition Survey carried out by Savills in 2007 identifying investment needs updated through RHL's Asset Management data base, Codeman.
- Structural Condition Survey of non-traditional properties carried out by Curtins in April 2008.
- VFM Review DLO – carried out by Collaborative Working Centre (CWC) November 2009.
- Stock Viability and Investment Modelling provided by Savills.
- Long-Term Housing Regeneration Strategy, and stock modelling, Tru Steels/Tarrans.
- Business Plan 2009/10 and Key Strategies – Value for Money, Value Assurance, Procurement, and Equality and Diversity.
- Tenant Needs and Priorities and Tenant Involvement.

- The Tenant Profile.
- Audit Commission Good Practice - KLOE Stock Investment, draft TSA Service Standards.

2.0 STOCK CONDITION

2.1 Summary

The total Council housing stock, managed by Rykneld Homes, at 30 September 2009 is 8,193 dwellings (see table below). All of the stock is low-rise, including a relatively high percentage (23%) of bungalows. There are only two sheltered housing schemes. By far the most significant issue from a technical point of view is that 33% is of non-traditional construction, involving 15 different basic types from the immediate post-war period and up to the sixties. Homes are spread right across the district and can be found in forms ranging from substantial estates predominantly of social housing to numerous very small groups in every settlement, from ex-coalfield towns to attractive rural villages.

Dwelling Archetype	No of Dwellings
Bungalows	1851
Medium Rise Flats	176
Non Traditional Houses	2699
1945/64 Other Traditional Houses	1032
1945/64 Traditional Terrace	24
1965/74 Traditional Houses	275
Post 45 Low Rise Flats	1030
Post 74 Traditional House	300
Pre 45 Other Traditional Houses	211
Pre 45 Traditional Terrace Housed	46
Pre 45 Traditional Semi Detached Houses	549
TOTAL	8193

2.2 Traditional Stock - Condition

The Stock Condition Survey (SCS) carried out by Savills in 2007 identified that 53% of the stock was non-decent, with the position at October 2009 being 52% with virtually all properties falling into non-decency within the next five years (potentially non-decent). A representative 25% sample survey was undertaken of the housing stock. The survey results have been extrapolated to cover the whole stock. Survey information is stored within an Asset Management database called Codeman. The system integrates with our Anite Housing Management System to maximise accuracy and component renewal collection between Codeman and the attributes system.

The cost of work within the first five years, including other areas of responsibility outside the scope of decent homes such as responsive/void and cyclical maintenance equates to £90m.

Survey results show properties fail decency under the following criteria:

- Criteria 1 – HHSRS 0.4%.
- Criteria 2 – State of repair (key) 15.3% (non-key) 9.5%.
- Criteria 3 – Modern Facilities 44.7%.
- Criteria 4 – Thermal Comforts 30.0%.

75% of this work is internal type work, future repair and refurbishment programmes need to reflect these results in order to achieve 100% Decent Homes and maintain properties to this standard. Further work has been undertaken to ensure that the investment need identified in the SCS is matched by funding and this is included in the 5-Year Investment Plan. The key features of the Investment Plan are summarised as follows:

- 2,900 approx. dwellings require refurbished kitchens.
- 2,700 approx. dwellings require refurbished bathrooms.
- 3,600 approx. dwellings require electrical works.
- 4,000 approx. dwellings require central heating works.

2.3 Non-Traditional Stock – Condition

In April 2008, RHL commissioned a structural SCS undertaken by Curtins of the 3,092 non-traditional dwellings it manages, to determine the general condition of the properties, assess future structural repairs/improvements and determine costs over the next 30 years. This identified 15 different basic types of construction, which also vary between houses, flats and bungalows. In addition, some homes have been partly modernised in the past, giving a total of 27 different groups to consider. The key findings were:

- There are no immediate urgent Health & Safety works required.
- It is technically possible to carry out the necessary work to all the stock (subject to cost and other considerations).
- The estimated cost of the minimum recommended work over 30 years would be £44.2m, while a full enhanced standard would be £133.8m over 30 years.
- The estimated cost of Curtins' own recommended minimum standard is £54m.
- Work to Trusteel properties was relatively urgent and should be carried out in years 1 to 5.
- Work to Tarran bungalows should be carried out in years 6 to 10.
- Work to all other properties could be carried out in years 11 to 25.

2.4 Long-Term Housing Regeneration Strategy

We have considered the question of which stock may not pass sustainability and value-for-money tests, and which should therefore be subject to option appraisal before major investment is committed. Primarily this has been done through the Long-Term Regeneration Strategy that we have developed jointly with the Council. This is the first phase of a major piece of work that will lead to a comprehensive housing regeneration strategy for NE Derbyshire, and looks specifically at those aspects that affect Rykneld Homes' ability to plan with confidence its investment programmes. These are the future of the most problematic non-traditional homes, the future of one of our 2 sheltered housing schemes, and the use of struggling garage sites. The Strategy brings together a comprehensive set of financial and non-financial information, and, in summary, its conclusions are:

- A comprehensive review of the long-term options for the following estates should be undertaken with tenants and residents.
- Trusteel homes at Clay Cross, Wingerworth and Grassmoor.
- Tarran bungalows at Eckington and Killamarsh.
- Sheltered housing at Woodview House in Eckington.
- A new housing programme be developed from the underused garage plot sites identified in the report.

2.5 Future Investment Needed

The current analysis of the Investment need for Council stock over the next 30 years is as follows:

	£Million
Works to Traditional Stock Savills SCS – 30 years	+545
Estate Delivery Plans 1-5 years (Funded – ALMO Cost Model)	-96
Enhanced Works – Non-Traditional Stock	+54
Total	+£503

The above does not include the financial modelling which needs to be carried out on the Sheltered Housing units which are not up to modern day standards this exercise is being carried out as part of the stock option modelling work further development of the Long-Term Housing Regeneration Strategy. The above position is no different to many Council stock owners who must then consider the options open to generate required resources to meet identified need.

Any ongoing reduction in ALMO funding (Cost model) will increase the overall Regeneration Investment need.

3.0 DELIVERY OF THE ASSET MANAGEMENT STRATEGY

3.1 Responsive Repairs

Responsive Repairs are classified into four categories, Emergency, Urgent, Routine and Planned repairs, each with a different timescale for completion. There is some flexibility in allocating a repair to one of the four categories to accommodate tenants deemed to be vulnerable (see Rykneld Homes Vulnerability Policy and Procedures).

During 2008/09 the day to day maintenance service has been successful in meeting tenant expectations and repair response times have significantly improved. The targets have been adjusted to reflect top quartile performance. The average cost of responsive repairs per property in 2008/09 was £325. Updated to £300 per property (Building-Electrics) for 2009/10 by the outcome of the CWC external VFM report - Responsive Repairs / Voids.

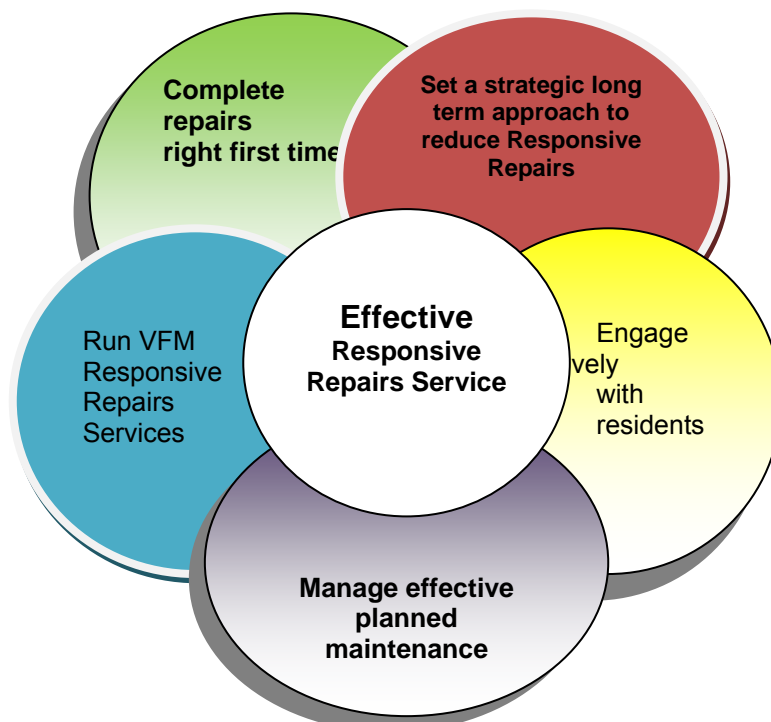
The target to reduce the proportion of emergency works to 10% of the total, will be achieved by carefully monitoring the proportion of total maintenance spend on routine repairs by improving the planned element of its responsive work and repairs diagnostics.

Rykneld Homes needs to improve further the split between planned and responsive repairs. The ratio split at the end of Qtr 2 2009/10 was 51.08 % planned and 48.92% responsive.

In 2009/10 a responsive repairs reduction plan has been developed to improve performance and achieve our target of 54% planned with ongoing reductions for 2010 onwards.

3.2 Reducing Repairs - Repairs Reduction Plan/Model

Several inter-linked activities are needed to improve and deliver an effective repairs service:



Rykneld Homes has through working with tenants in the Asset Management Implementation and Review Group (AMIRG) considered the impact of reducing repairs and agreeing solutions to minimise need. Our objective is to reduce responsive repairs by:

- Identifying maintenance hungry stock and develop action plans to address individual and collective problem areas, e.g. 17 weeks planned programme.
- Ensuring that repairs are not over prioritised by staff and emergencies are only ordered when they meet the criteria within the Repairs Policy.
- Providing effective planned schemes based on frequencies of historical data.
- Improving the diagnosis of all repairs by implementing agreed diagnostic processes with the NEDDC Call Centre and graphical repairs ordering instructional guides for staff and tenants, within the Repairs leaflet issued within the 2009 revised Tenants' Handbook.
- Defining emergency repairs, having clear policy and procedures to inform tenants and support staff and promoting self help as determined in the Repairs Policy and Tenant Handbook.
- Having robust procedures in place for identifying vulnerability and offering flexible services to meet needs.
- Highlighting tenant responsibilities within the above.
- Reducing pre-inspections and allowing operatives to diagnose some inaccuracies.
- Providing technical support to the Call Centre.
- Reducing and simplifying the Schedule of Rates (SORs).
- Increasing the programmes of planned work carried out.
- Improving access by offering convenient appointments and prior notification of the agreed appointment.
- Reducing cancellations and only cancelling work after exhausting every opportunity to gain access. Monitoring cancellations at Team Leader level and investigating reason for codes used.
- Robust monitoring of all Asset Management Performance Indicators, at relevant levels throughout RHL.

3.3 Delivering a Value for Money Service

In order to demonstrate value for money in responsive repairs, we will deliver the Value for Money Strategy and Annual Efficiency Statement, Value Assurance Policy relating to Asset Management of which is to:

- Reduce inputs (money, people and assets) for the same outputs.
- Reduce prices (procurement, labour costs) for the same outputs.
- Provide greater outputs on improved quality (extra service, productivity) for the same inputs.
- Attain proportionally more outputs or improved quality in return for an increase in resources.
- Value Assurance - VFM in services: Challenge, Contestability and Competition.

We will ensure:

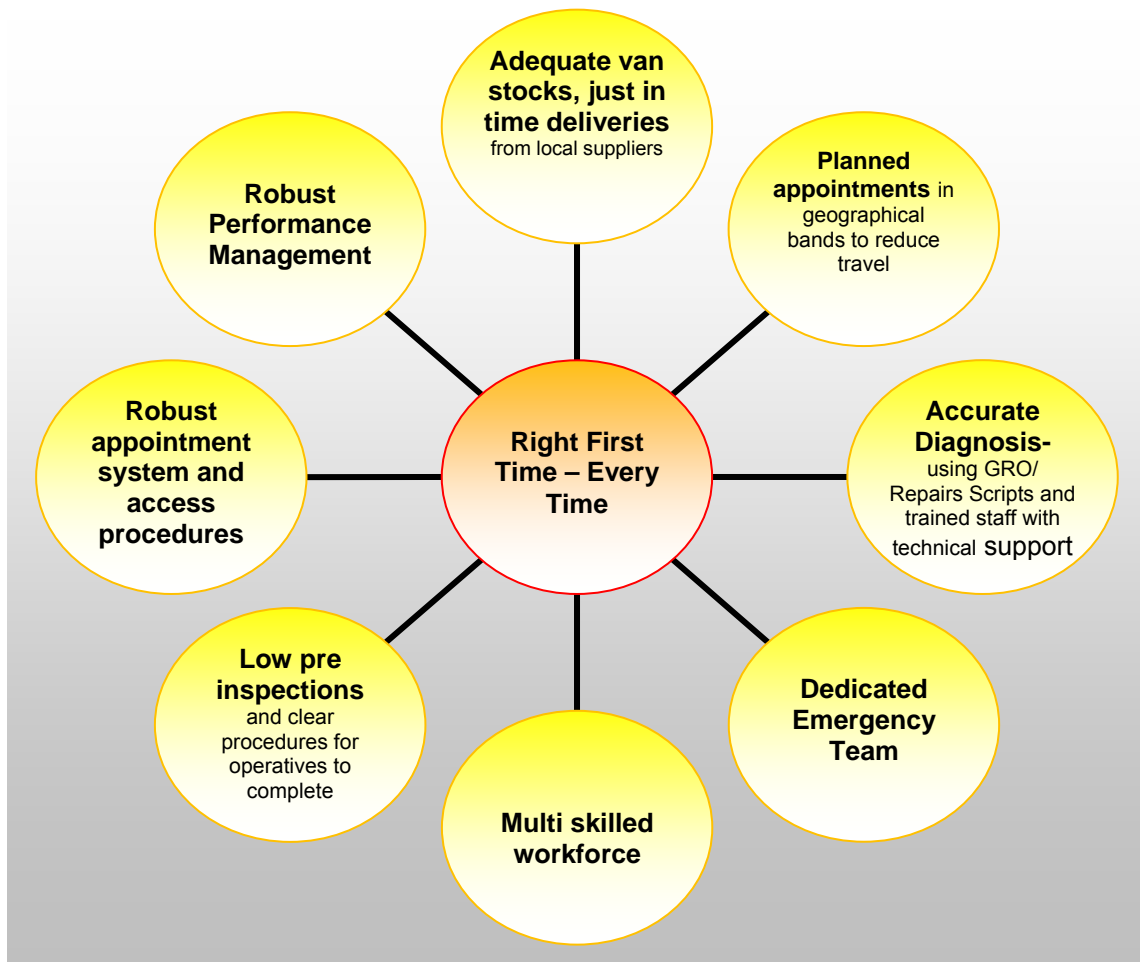
- Our cost compare to others providing similar services through robust benchmarking with CWC, HQN, HouseMark and local benchmarking groups.
- Our DLO is run on a trading account and is providing a rate of return on the schedule of rates and that the rates are tested to prove VFM.
- Resources are regularly reviewed to ensure they are fit for purpose.
- The VFM golden thread fits into service planning frameworks to operational services and everyone understands the importance of VFM.
- Costs and initiatives are closely monitored.
- We fully utilise mobile working capability.
- An effective procurement strategy is in place and we reduce commissioning and procurement costs.
- Improve component longevity by continuous review of failure rates and material specification.
- Adopt a just-in-time approach to component replacement.
- We consistently challenge all existing practices and services.
- Increase our resources for post inspecting on a risk based system.
- Batch responsive repairs into planned schemes to improve our costs on SOR's.
- Reduce the emergency and urgent responsive work we order to meet our targets and complete more repairs on time.
- Market test and benchmark our services.

The above has been recently validated by the 2009 CWC VFM Review of the DLO.

3.4 Right first time

Right first time helps reduce the number of responsive repairs received and improve tenant satisfaction by completing work at the earliest opportunity. By planning appointments in geographical and reducing travel time and abortive calls productivity is increased.

Multi skilled operatives with imprested van stocks who are allowed to diagnose minor variations are able to get on with the work at hand and quickly move to the next job. The facility of a dedicated team for emergencies and planned repairs means that the operatives working on appointments can continue with their daily workload without the need to attend emergencies and complete work that is complicated and goes beyond the allotted set time slot of the appointment.



3.5 Managing effective planned maintenance programmes

By managing effective planned maintenance programmes and optimising renewal intervals we reduce the need for responsive repair requests when components fail. We do this by:

- Having clear targets and procedures for gaining access for gas and solid fuel servicing. Consult with tenants at the earliest stage possible.

- Planning our work well in advance in order to have specifications and contract documents ready to procure in a timely manner and have work in hand if problems or delays arise on specific projects.
- Setting financial targets for increasing revenue funded planned works.
- Prioritising cyclical works with tenants such as painting where failures contribute to high maintenance costs.
- Project managing all planned works and communicating the programmes and schemes in advance to tenants.
- Improving operational links between responsive and planned/ capital programmes.
- Ensuring programmes are monitored financially and operationally by adopting a robust performance management framework with clear lines of senior responsibility.

Planned Maintenance Programmes involves quite extensive work to the external envelope of a property and the surrounding environment which includes garages, external stores and structural defects etc. Planned Maintenance work concentrates on a small geographical area of the housing stock each year.

3.6 Planned Repair Schemes

A planned repair is where there is no risk to health and safety and no imminent risk to the fabric of the building. The 17 week Planned Repairs Programme visits each estate three times a year. Tenants are notified in advance when the work will be done and an appointment is made for access to the property where this is required. Planning repairs in this way prevents operatives from having to drive randomly across the area carrying out routine repairs on immediate request thus making better use of resources.

The Programme is available to view on the Rykneld Homes website. Planned repairs, procured efficiently, result in better value for money than responsive works due to the overheads, supporting trades operatives and vehicles being reduced and the work completed by utilising plant in the most cost effective way.

The majority of these non-urgent repairs are external work. Planned Repairs are grouped together or 'batched' based on the scope of works, target date for completion and location.

Examples are repairs to:

- Internal joinery.
- Internal solid floors.
- External paths and steps and boundary walls which are not in a dangerous condition.
- Gutters and rainwater pipes.
- Windows and doors.
- Clothes posts and gates.

Planned repairs are accepted as a more co-ordinated and organised approach to carrying out some elements of the repairs service. Repairs are programmed and resources are utilised more effectively, resulting in planned repairs being charged at a lower premium effectively allowing savings in the Schedule of Rates (SOR's)

Planned Repairs are completely different from Planned Maintenance Programmes (PM) which seeks to maintain the investment made in the housing stock by carrying out pre-emptive investment work on a rolling basis to prevent decline in the condition of the housing stock.

3.7 Cyclical maintenance

These are works of a preventative nature which RHL plans in advance and repeats on a "cyclical" basis. This is done in order to obviate the premature breakdown of time sensitive components and meet regulatory and legal duties. Two examples of this are external redecoration and the servicing of gas and solid fuel appliances.

Rykneld Homes will continue to reduce the scale of its external painting programme by the sensitive replacement of existing 'maintenance hungry' external components with low-maintenance alternatives.

3.8 Decent Homes/Major Works

The Capital programme noted within the appendices to this Strategy has recently been reviewed to take into account possible delays in funding streams. This has resulted in a base Decent Homes programme which is to be delivered from January 2010 by the recently procured Capital partners. As a result budgets have been re-profiled in 2009/10 and 2010/11 to ensure maximum value for money in terms of both productivity and price. The programme assumes that funding will be a mix of MRA and borrowing by NEDDC until ALMO funding credit approval is secured in 2011/12. Rykneld Homes continues to pursue alternative sources of funding to accelerate the decent homes programme. External grant funding of £804k has recently been secured and a further Bid is currently tabled with European Regional Development Fund (ERDF).

Additionally RHL are exploring other funding options with The Homes and Communities Agency (HCA) and Communities in Local Government (CLG).

The securing of additional funding beyond that supporting the Decent Homes standard may enable RHL to agree with Tenants and implement enhanced Decent Homes works,. However, the need to address the existing level of Decent Homes Commitments, Long Term Regeneration needs and risks to investment in existing Social Housing posed by the current Economic climate must be taken into account before making any commitments.

Works to Council stock will be to the Decent Homes Standard, set out in the Stock Condition Survey and in accordance with Government guidelines, excepting where the Structural Stock Condition Survey notes the need to undertake further works which could include regeneration. This will be agreed with NEDDC as part of the Long-Term Housing Regeneration Strategy. Meanwhile, works will be identified by further estate based surveys.

These works will be undertaken by our Capital Works Constructor Partners, Apollo and Ian Williams, over the next five years.

3.9 Stock Investment, Responsive, Planned Maintenance

The finite scale of funding for maintenance, improvement and regeneration means that expenditure on Planned, Responsive and Capital works need to be carefully targeted to ensure value for money.

Rykneld Homes Business Plan requires the organisation to deliver efficiencies thus maximising available funding whilst still protecting the physical condition of the stock and improving service delivery to residents.

To date, this has been principally through harnessing the benefits derived from taking a value for money approach to maintenance/investment/planning activities and through better procurement and efficiency gains. Efficiency gains from the Capital works contracts have been factored into the current Capital programme.

As discussed elsewhere in this Asset Management Strategy document, the core asset management issue for the organisation in the medium to long term is how to cope with the need to maintain, replace or revitalise an ageing stock.

The age of the organisation's stock vary between 1914 and 2004 and a Maintenance need has built up as set out in the Building Cost model, which has informed the ALMO bid, and identified in the Stock condition survey.

3.9 Aids/Adaptations

Working with our Partners including Derbyshire County Social Services, RHL led on the revision of the Aids/Adaptations Policy which was then approved by NEDDC. The detail is set out in the Aids/Adaptations Policy, taking into account the need to balance Independent Living, the need to maintain VFM in adaptations, maximise use of stock already adapted. The approach builds on past substantial investment into Aids/Adaptations within the Council's stock, the level of Adapted stock, the need to maximise available resources, incentivisation for Tenants choice in awaiting an adaptation or moving to a previously adapted home. The service and service standard has been reviewed taking into account an Equality Impact Assessment, with tasks and agreeing targets as set out in the Business Plan 2009/10. Operational improvements to secure VFM in Adaptations works and KPIs are monitored regularly through our Performance clinics.

3.11 Voids - Management and Maintenance

Void performance is exacerbated by the local context and the condition of the Council's stock. 52% of the stock is Non Decent which means that although working to an agreed lettable standard, it is often necessary to undertake more than "essential works only" to relet a property. The organisation has undertaken a complete voids process review based on; a revised lettable standard; structure for the delivery of the Voids Management Service; need to ensure VFM in repair costs where measured against the HouseMark data; and outcome measures such as Tenant satisfaction, Performance Indicators (PIs) and Cost profile., the review of Allocations policy/Aids'/Adaptations criteria which had an adverse impact on the ability to relet properties.

The outcome of the 2009 CWC VFM study has led to Capital works transferring to our Contractors with Responsive works voids undertaken through the DLO.

4.0 GENERAL ASSET MANAGEMENT ISSUES

4.1 Ancillary buildings

Rykneld Homes holds a portfolio of approximately 1400 garages. Our approach is detailed within RHL's Garage Strategy, some of which contributes towards the Long Term Housing Strategy for the Council's Housing stock.

4.2 Sheltered Housing Schemes

NEDDC has not delegated the Regeneration of its stock to RHL. However RHL has worked with NEDDC on the development of the Long Term Housing Strategy. Rykneld Homes will be working with NEDDC to undertake a fundamental review of one of its sheltered housing schemes. This has used the Housing Needs survey to assess long-term demand and sustainability, The AMIP notes the need to balance the need between Independent Living, the projected Tenant profile needs, and the condition of the sheltered Housing stock within NEDDC. RHL are currently working with NEDDC on its stock option works for Woodview House and ongoing maintenance is in place.

4.3 Asbestos Management

The Asbestos Management Plan (AMP) which includes Policy and Procedure complies with current legislation and is reviewed annually.

The AMP notes how Rykneld Homes will comply with legislative matters relating to managing and adopting safe working practices for the properties within our management.

The age of the housing stock indicates that asbestos is a common building component within the properties. Type 2 Asbestos surveys will have been carried out to 95% of the stock by February 2010 with all information included on the Envacs Register. Asbestos survey information is stored on the Envacs database which forms the Asbestos Register for Rykneld Homes and is accessible via a web browser on line. Asbestos information leaflets are available for Tenants. The database interacts and informs our contractors, DLO and capital partners. Flags are automatically generated on works orders or via our mobile solution showing whether the property has been surveyed and provides detailed results of the survey. Our contractors, Partners and workforce are trained in identification, sampling and relevant treatment techniques. Our policy to date has been to leave materials containing asbestos in situ where it is undamaged and poses no immediate threat to health and safety.

4.4 Affordable Warmth

Rykneld Homes is committed to the eradication of fuel poverty and the provision of affordable warmth for its tenants. We aim to achieve this by:

- Raising awareness and providing energy advice to all tenants;
- Improving energy monitoring and efficiency within homes.

Significant progress has been made in 2009/10 with the upgrading of cavity and loft insulation to 1500 traditional homes and the awarding of SHESP funding to insulate around 1000 Non-Traditional homes.

5.0 PROCUREMENT

Rykneld Homes Procurement Strategy 2009/12 sets out the key activities for procurement within the organisation. One of RHL's strategic aims set within the BP includes:

“To be an efficient and effective Organisation which provides VFM in the way it conducts its Business.”

Procurement has a clear role in supporting this aim by maximising the whole life value for money from the procurement of assets, goods, works and services of the required quality. This approach then contributes to the delivery of RHL's VFM strategy 2009/12 and efficiencies.

RHL's Value Assurance Policy 2009 supports this Procurement Strategy.

Procurement activity supports Rykneld Homes' objectives and values in several ways:

- Where services are delivered directly or via third parties, we will ensure that our suppliers provide **high quality public services** which meet the needs and aspirations of people and **improve the quality of life of the community**.
- Rykneld Homes will involve Tenants in the procurement of its major suppliers as informed by the Tenant & Resident Involvement Strategy and consider the procurement legislation requirements for leaseholders.
- Wherever possible, we will contribute towards a strong and **sustainable economy in the District** by providing opportunities to local suppliers to work with Rykneld Homes, without compromising the need to obtain the correct quality for the required purpose with Value for Money.
- We will conduct every aspect of our business with honesty, openness, consistency and seek value for money from all suppliers. We will assist in controlling costs by cost effective procurement, through ensuring the best possible commercial deals with suppliers and the development of cost effective procurement processes.
- We will work with suppliers with clear policies supporting equality and diversity and **opposing prejudice and discrimination**.
- We will ensure that suppliers have appropriate health and safety policies, processes and procedures in place to ensure the safe delivery of products and services, thus contributing to a **safer community and workforce**.
- We will endeavour to ensure that sustainability issues are fully taken into account in sourcing products and services to **protect and improve our environment**.

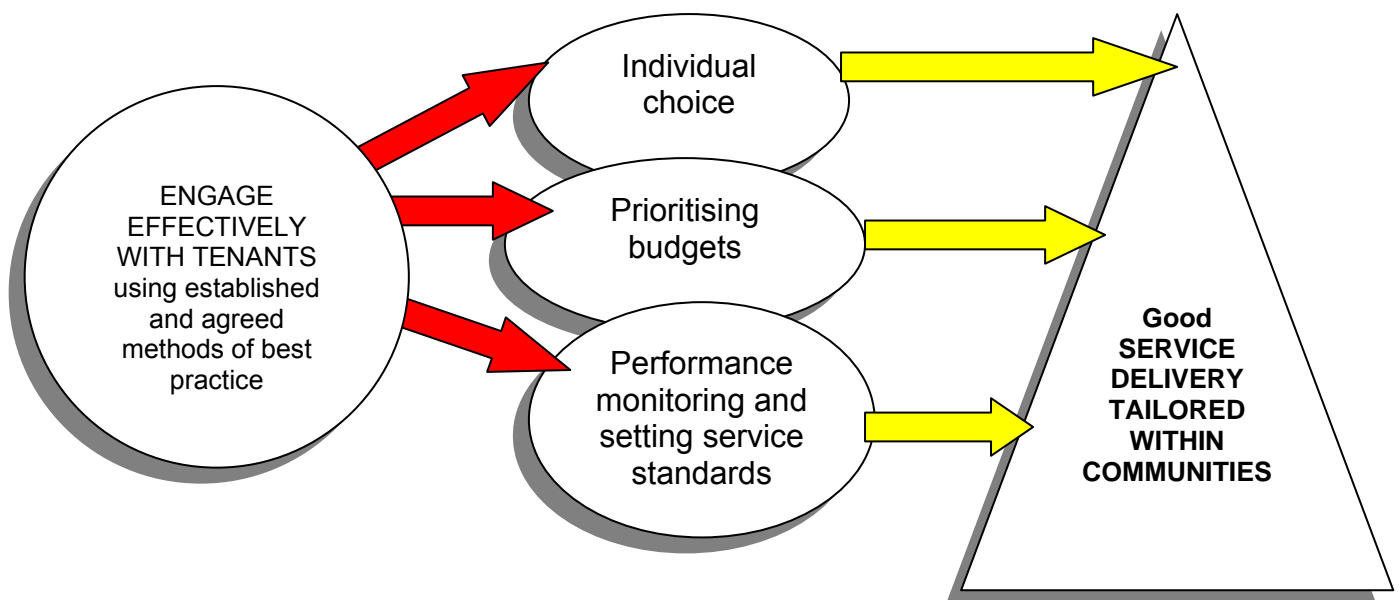
6.0 TENANT INVOLVEMENT

Rykneld Homes are committed to involving tenants, residents and leaseholders in all areas of the organisation. Tenant involvement activities take place to enable and encourage involvement in key decisions that will directly affect them. RHL's Tenant Involvement Strategy provides the detail of our approach.

Opportunities to influence and get involved within this service area cover the following:

- Rykneld Homes Capital Works Programme.
- Procurement – Evaluation and Selection of Constructors and Suppliers.
- Asset Management Implementation and Review Group
- Service Improvement and Performance.

The following diagram indicates how tenants and leaseholders are given opportunities for involvement at all stages of service delivery:



7.0 **RISK MANAGEMENT**

7.1 **Management of Asset related issues**

The organisation is acutely aware that evaluation of risk is an essential part of an effective Asset Management approach as detailed in Rykneld Homes' Risk Management Strategy and Corporate Risk register. Major decisions taken about the future and utilisation of the asset base in the absence of a risk assessment may have a long-term detrimental effect on the sustainability of communities and financial viability of the organisation.

The organisation has a systematic approach to managing asset-related risks. This involves the regular review of impact and probability of specific risks materialising and an evaluation of the control arrangements that are in place for managing and minimising current and emerging risks. These are updated in light of changing circumstances.

The main risks in relation to Asset Management have been identified as:

- Failure to maximise Investment sources to deliver the Asset Management Strategy.
- Inadequate Management /Maintenance allowances, Revenue funding to support Responsive Repairs.
- Not undertaking stock improvements or ineffective targeting of our programmes. This will lead to wasted resources, negative reputation and potentially loss of tenants,
- Failure to meet the Decent Homes Standard as agreed with Government, may lead to non-decent homes, regulatory action, loss of current and future tenants.
- Inadequate Stock Condition Information. This will result in the inability to make informed decisions on investment requirements and priorities.
- Inadequate information on life cycle costs. The estimation of a product's life expectancy is essential in order to programme effective planned maintenance programmes. Inappropriate time-scales will increase reactive repair costs, the benefit of economies of scale will be lost and the additional financial implications on the company will affect the long-term business plan.
- Procurement Issues - A failure to adhere to Contract Procedure Rules and Financial Standing Orders.

The Risk Register notes mitigating actions, and is monitored on a quarterly basis as part of the Comprehensive performance report to Board, NEDDC, Staff and Tenants.

8.0 EQUALITY AND DIVERSITY

RHL's approach to ED is set out within our ED Policy, Single Equality Scheme and Community Cohesion Strategy.

Internally RHL has reviewed its staffing, recruitment, general ED monitoring and recommendations for action e.g. under-representation of females within the Asset Mgt Division.

8.1 Contractors

ED is addressed in tender requirements including the selection of our Capital contractors. Performance Indicators have included local recruitment and the need to address the above.

Generally all selected Contractors (or stakeholders) undertaking specific works of manufacture and supply, must have awareness of cultural diversity and the needs of our residents must be at the heart of their company. This requirement is heightened once they become a key stakeholder with Rykneld Homes in the delivery of goods and services.

Their company and all its employees are required to adhere to RHL's ED policy approach and we monitor compliance.

8.2 Equality Impact Assessment

This Strategy has been reviewed utilising an Equality Impact Assessment, informed by relevant input by tenants.

Link to Asset Management EIA on the Website:

<http://www.rykneldhomes.org.uk/documents.asp?sectionid=8>

9.0 MONITORING

The delivery of the Asset Management Strategy is driven by the Rykneld Homes Performance Management Framework. The Asset Management Service Improvement and Action Plans SMARTly detail the tasks required for delivery.

10.0 CONTACT

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Appendix A

RHL Revenue Repairs Budget 2009/2010		
Cost Centre	Cost Centre Description	Annual Budget
	Planned Maintenance	
6459	Maintenance Of Amenity Land	20,000
6711	Painting	107,533
6713	Planned External Works	36,760
6714	Structure and External Envelope	97,989
6715	Damp & Remedial Timber Treatment	29,604
6716	Garages	24,701
6718	Estates Planned Works	1,284,898
6720	Planned Internal Works	61,869
6721	Gas Servicing	636,288
6722	Solid Fuel Service	66,692
6723	Electrical Testing	103,712
6731	Minor Adaptations	68,546
6969	Maintenance Of Stair Lifts	90,000
	Sub Total Planned	2,628,592
	Responsive Maintenance	
6701	Out of Hours	94,883
6702	Responsive General	1,147,337
6703	Voids- Minor	853,248
	Sub Total Responsive	2,095,468
	Total Budget	4,724,060
	% Planned Maintenance	56
	% Responsive Maintenance	44

Appendix B

RHL Medium Term Financial Plan Summary			
Budget	2009/10 £000's	2010/2011 £000's	2011/2012 £000's
Income			
Management Fee	10,345	10,242	10,511
Expenditure			
Housing Management	5,680	4,970	5,170
Repairs & Maintenance	5,100	5,180	5,280
Efficiency Savings	(435)	0	0
Investment Funding	0	92	61
Break Even	0	0	0

Capital Programme	2009/10 £000's	2010/2011 £000's	2011/2012 £000's
Decent Homes Schemes	5,524	6,637	17,653
Adaptations	647	647	647
Total Projected Spend	6,171	7,284	18,300
Assured Funding:			
Major Repairs Allowance	5,524	3,992	4,853
NEDDC - Adaptations	647	647	647
Projected Funding:			
NEDDC – Unsupported Borrowing	0	2,645	
ALMO Credit Approval			12,800
Total Funds	6,171	7,284	18,300

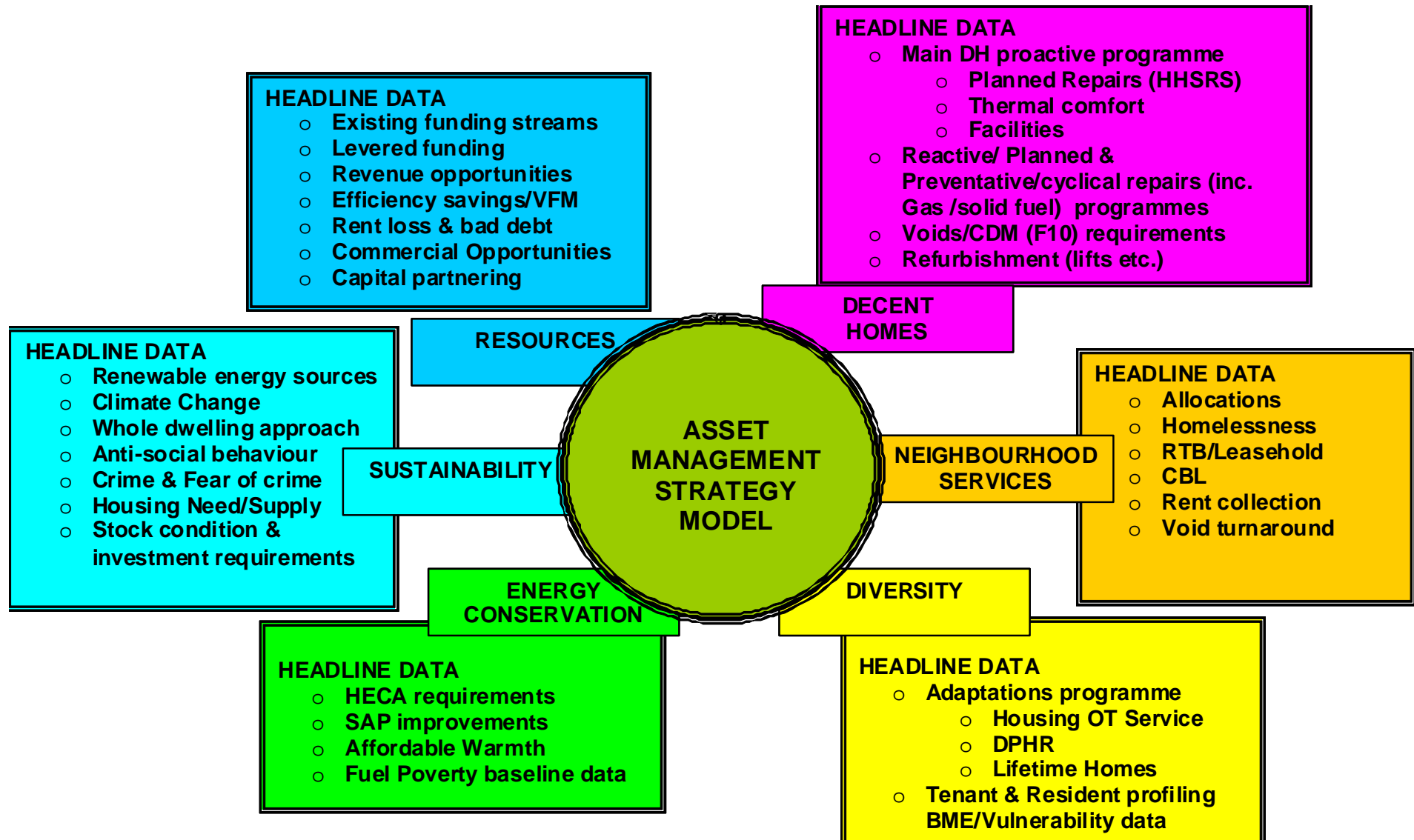
Appendix C

CAPITAL BUDGET PROFILE 2009/10 FINAL QUARTER AND Full Year 2010/11							
APOLLO				IAN WILLIAMS			
Estate Delivery Plan Ref.	Windows & Doors	Units	Value	Estate Delivery Plan Ref.	Windows & Doors	Units	Value
Killamarsh	Rectory Road	23	73,600	Calow	Central Drive	15	48,000
	Norburn Drive	29	92,800				
	Ashley Close	12	38,400	Hepthorne Lane	Bamford Avenue	39	124,800
	Cherry Tree Drive	15	48,000		Leigh Way	14	44,800
	Woodside Avenue	1	3,200		Hamill Close	18	57,600
					Midland View	12	38,400
Eckington	Osmund Road	1	3,200		Park View	6	19,200
	Castle Hill	6	19,200				
	Castle View	1	3,200	Danesmoor	Back Croft	6	19,200
	Ladybank View	1	3,200		Cowsell Dr	8	25,600
					Linacre Ave	5	16,000
Marsh Lane	Warren Crescent	27	86,400		Penistine Gdns	15	48,000
	Bramley Road	1	3,200		Springvale Rd	31	99,200
	Ridge Road	6	19,200		Stoneholes Dr	9	28,800
	Warren Walk	10	32,000		Guildford Lane	4	12,800
					Springvale Close	1	3,200
Renishaw	Carrwood Road	64	204,800				
	Circular Drive	62	198,400	Mickley Stretton	Fir Tree Avenue	8	25,600
	Field Avenue	2	6,400		Hawthorne Avenue	2	6,400
	Garden Avenue	14	44,800		Milton Avenue	6	19,200
					Tennyson Street	3	9,600
		275	880,000			202	646,400

Estate Delivery Plan Ref.	DH General - Internals	Units	Value		Estate Delivery Plan Ref.	DH General - Internals	Units	Value
Killamarsh	Killamarsh				Barlow	Barlow non trad		
	Sherwood Road	12	43,800			Springfield Road	36	131,400
	Rotherwood Road	25	91,250		Calow	Calow Non trad		
	South Crescent	10	36,500			Blacksmith Lane	7	25,550
	North Crescent	10	36,500			Church Street	1	3,650
	Brindley Court	10	36,500			Manvers Road	11	40,150
	Baker Drive	22	80,300		Calow	Calow		
	Robinson Way	2	7,300			Allpits Road	24	87,600
	Powell Drive	11	40,150			Blacksmith Lane	8	29,200
	Mussard Way	4	14,600			Central Drive	28	102,200
	Walford Road	3	10,950			Church Lane	19	69,350
	Maynell Way	4	14,600			Church Street	7	25,550
	Marrison Drive	14	51,100			Churchside	13	47,450
						Lawn Villas	5	18,250
Killamarsh	Killamarsh Non trad					North Road	25	91,250
	Ashley Close	12	43,800			Parker Avenue	5	18,250
	Cherrytree Drive	13	47,450			Plover Way	4	14,600
	Chandos Crescent	32	116,800			Sandringham Close	5	18,250
	Delves Road	48	175,200			Tapton Way	6	21,900
	Nether Ave	25	91,250			Top Road	1	3,650
	Norburn Drive	29	105,850			Westwood Road	7	25,550
	Orchard Place	15	54,750		Wooley Moor	Wolley moor non trad		
	Rectory Road	68	248,200			Ashover New Road	1	3,650
	Rotherham Road	4	14,600			Badger Lane	3	10,950
	Bungalows Sheffield Road	45	164,250		Brackenfiel	Brackenfield		
						School Lane	3	10,950

Renishaw	Renishaw		
	Lowfield Road	1	3,650
	Main Road	1	3,650
	Phoenix Road	3	10,950
	Wellfield Raod	6	21,900
		429	1,565,850
	Sub Total - DH Programmed	704	2,445,850
	Decent Homes Externals	Nil	Nil
	Decent Homes Void		1,045,297
	Decent Homes Heating		930,842
	Disabled Adaptations		393,340
	Total Capital Programmes	704	4,815,329
	Total Projected Spend		8,008,632

	Carr Lane	3	10,950
Littlemoor	Littlemoor		
	Alton Lane	5	18,250
	Stubbin Edge Lane	7	25,550
Kelstedge	Kelstedge		
	Ashover Road	1	3,650
	Causeway House	5	18,250
	West Edge Close	25	91,250
		265	967,250
	Sub Total - DH Programed	467	1,613,650
	Decent Homes Externals	Nil	Nil
	Decent Homes Void		696,865
	Decent Homes Heating		620,562
	Disabled Adaptations		262,226
	Total Capital Programmes	467	3,193,303



APPENDIX E

Reference Documents

The documents used in the development of the Asset Management Strategy included but have not been restricted to the following:

- Rykneld Homes Business Plan 2009/10
- Rykneld Homes Service Improvement Plans
- Rykneld Homes Quarterly Performance Reviews
- Stock Condition Survey Report- SCS (Savills)
- Non – Traditional Stock Condition Survey Report- SCS (Curtins)
- Rykneld Homes Procurement Strategy (2009)
- Rykneld Homes Disabilities / Lettable Standards

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