

wandle

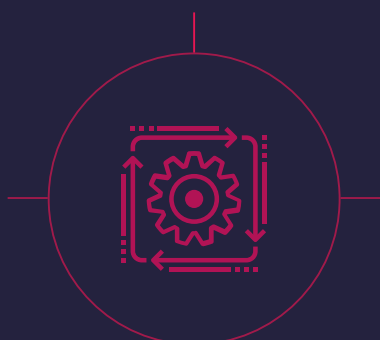
Wandle Asset Management Strategy

2022 - 2027



Wandle Corporate Strategy

2022 - 2025



STRATEGIC THEME 1

*Outcomes for
Customers that
make us proud*



STRATEGIC THEME 2

*Providing homes
we would be happy
to live in*



STRATEGIC THEME 3

*Building new homes
and successful
communities*



ENABLING OBJECTIVE 1

*Improving our
financial resilience*



ENABLING OBJECTIVE 2

*A well governed
organisation*



ENABLING OBJECTIVE 3

*An employer
of choice*

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Executive Summary

This Asset Management Strategy has been developed working alongside customers and colleagues to bring about a structured approach to improving the quality of homes owned and/or managed by Wandle. The strategy provides the framework to optimise the economy, efficiency and effectiveness of our assets, and to deliver our objectives of customer satisfaction, asset optimisation, and value for money.

Our sector has seen a vast amount of change over the past five years with new regulatory standards, an increase in customer expectation and increased focus on building safety. To meet these challenges this strategy focusses on how we can deliver our vision of “homes to be proud of and services our customers trust”. We need to create an environment where we can do more for our customers by driving value through our investment and property portfolio.

Our corporate strategy commits to a fundamental change in how we respond, engage, and demonstrate to customers the way we deliver services. This asset management strategy as a key core supporting strategy recognises the significant role that an improved customer experience from our planned investment activities and the resulting proactive communication has on these agreed objectives. It also recognises the other external and internal factors that drive service delivery such as the external policy environment, knowledge of the property portfolio and customer insight.

A key consideration of this strategy will be the investment demands required to meet increased building safety standards and to reduce the impact of energy costs to our residents. We will need to meet these agendas and maintain high quality homes. The balance of making the investment into the ‘right properties at the right time’ will be critical to ensuring our financial stability and meeting our regulatory and statutory obligations. We propose a strategic asset management vision:-

To provide outcomes for our customers that make us proud and homes they are happy to live in, we will proactively obtain and use quality data to deliver excellent responsive, planned and cyclical services to our customers. We will optimise the performance of our properties delivering value for money to our customers and our stakeholders.

During this strategy period we will give focus to better understanding of our properties, the needs and expectations of our customers, as well as the performance of our contractors and partners. We will do this by collating and using data to inform our processes, policies and investment decisions.

With this improved intelligence we will build a proactive operational foundation, seek to improve the overall customer experience, and ensure we are continually learning from our customers and using their insight to drive service improvements.

We will review and embed our Wandle Property Standard within our planning and investment approach to provide *quality lifetime homes* where our customers can thrive and feel happy and safe. The Wandle Property Standard sets out our commitment to meet our regulatory obligations for Decent Homes Standards and other Building Safety and Property compliance regulations. We propose to continue to achieve 100% compliance against these elements of the standard.

The standard also sets out our 'enhanced' commitments to meet our customers' expectations and to drive energy efficiency performance across the whole portfolio. We propose that 60% of our portfolio continues to comply with the 'enhanced' commitments. We set an aspiration that 85% of our homes achieve these enhanced commitments by 2027. The target is subject to our Value for Money approach to utilise any financial surplus above our business plan projections to support additional investment.

The proposed initiatives supported by a robust and consistent operational framework will enable us to achieve the customer satisfaction objectives in our corporate strategy. The effective management of the property portfolio will optimise investment decisions and support the financial resilience of the organisation.

We will be clear on those properties which we wish to retain and those that do not fit with our long-term strategic objectives and returns from which we can reinvest in other services, including new and existing homes. We propose to provide an Asset Optimisation Statement, which demonstrates progress towards the value for money objectives and identify those properties or blocks which require further review and appraisal to determine long term strategic asset management interventions.

This strategy is supported by a detailed action plan which will provide a clear plan of activity over the coming years. We have set some ambitious targets for ourselves over the coming five years, but we feel that this will drive demonstrable improvement that can be seen by our customers and stakeholders.

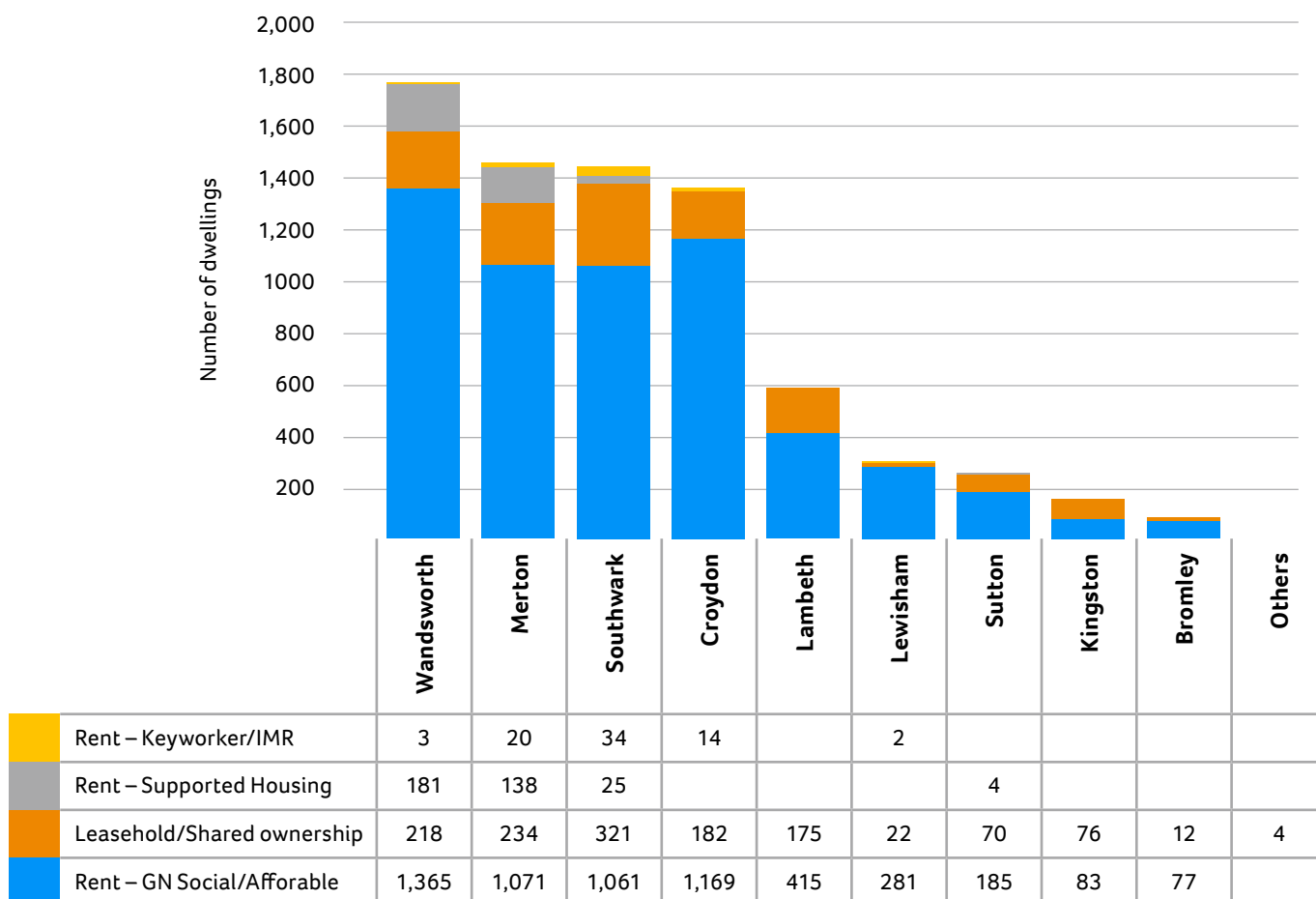


1. Introduction, Purpose and Scope

Wandle supports people, across south London, who need a home

Founded in 1967 as the Merton Family Housing Trust, we have since grown into an organisation with over 7,000 homes, with 98% of these located within nine south London boroughs.

Wandle Portfolio (as 31 March 2022)



We are a provider of circa 6,100 homes for rent (social/affordable, supported housing, IMR/Keyworker) and a homeownership portfolio of circa 1,300 dwellings.

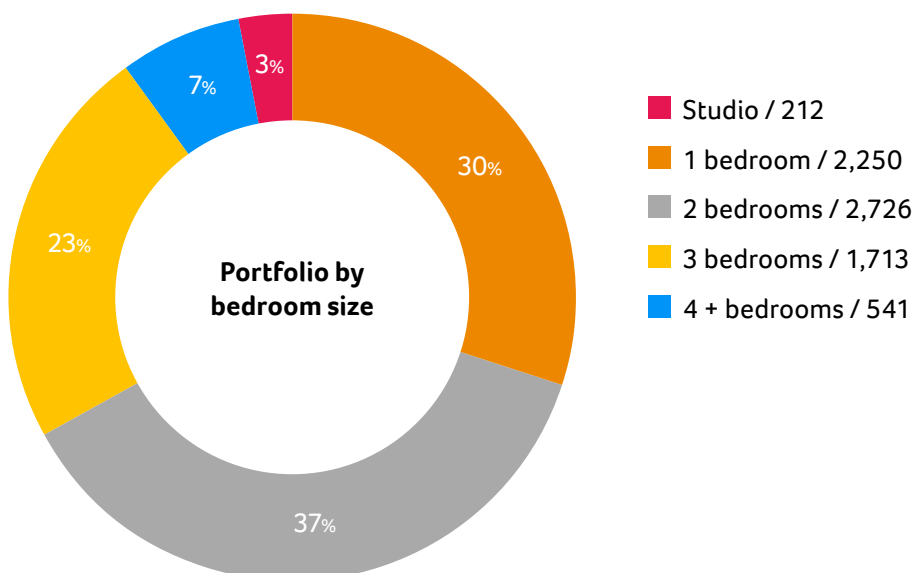
We also have a small portfolio of commercial properties and garages. Our existing properties are as diverse as the areas in which we operate.

70% of the portfolio comprises flats in 967 blocks which we either have direct responsibility for or

are managed and maintained by third parties. As a developing housing association, we are helping to tackle the shortage of good quality affordable housing.

Rented (90% of the rented portfolio) consists of one, two and three bed properties with 463 four bed homes, and 98 properties with 5+ bedrooms for larger families. Two hundred and twelve dwellings are bedsits or studio accommodation, mainly in the supported housing portfolio.

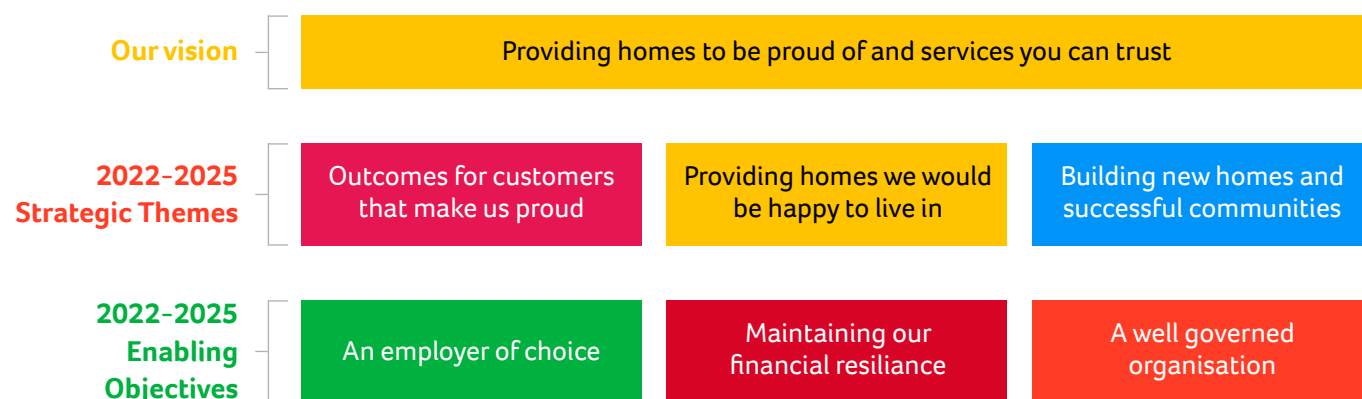
Dwelling Type	Description	Dwellings	Blocks
	Purpose Built - these are typically modern blocks of individual flats with communal areas and shared outdoor space, parking and amenities.	3,517	348
	Converted Houses – where an original single dwelling has been converted into two or more individual flats. These will share a common entrance and stairway. In some cases the outside space will be allocated to a flat.	1,662	619
	Houses / Bungalow –single dwelling with external front door. They may be terraced, semi-detached or detached properties.	2,263	–
Total		7,442	967



2. Context and Vision

We want to be a good landlord and contribute to building strong communities in the area where we work. We feel that the provision of good quality housing and neighbourhoods are a major contributing factor to building successful communities.

The strategic themes in our corporate strategy 2022-2025, directly influence the approach taken within this Asset Management Strategy:



In developing this strategy, consultation has been carried out with our customers. This was through a range of channels, including a survey of over 1,600 customers, several topic-led focus groups as well as review of our complaints, compliments, and customer feedback from the past 12 months. This has allowed us to develop a strategy with the customer voice at its heart and we are using this to drive our approach in the future.

We are building on the foundation of the previous asset management strategy which was to optimise the performance of the assets, deliver our decent homes objectives and value for money services with a programme of projects and initiatives. This new strategy will build on those objectives and align them to the current demands faced by the sector.

Due to the externally changing environment that the housing sector is facing we have given particular attention to building safety and maintaining housing quality standards for customers. This has been supplemented by our strategic objective to improve the overall energy efficiency of our homes and to support our customers with increasing energy costs.

The strategy relates to all our properties (including non-residential assets) and throughout this document this will be referred to as 'the portfolio' – distinction will be given to any specific property types or tenure in the document where required.

The past five years has seen a significant change in the discipline of asset management for affordable housing providers in England. This is set against a backdrop of the 2016 rent reforms that created pressures on Registered Providers' spending. The current environment has seen several new, emerging factors that have arisen since our previous strategy (2017 – 2022). When developing this strategy there are several principal policy issues that have significant implications for our customers, their homes and how we deliver services to them:

	Policy issues
	Building Safety - We must be aware of the potential upcoming changes and requirements within the building safety agenda. This will impact the works that we deliver, the information that we must provide to our customers and the data that we need to hold in the future.
	Energy Efficiency and the Road to Net Zero Carbon Emissions – We must develop a long-term roadmap to improve the energy efficiency of our homes for our customers, improving thermal efficiency and decreasing energy bills and supporting customers who may be experiencing fuel poverty. We must consider energy efficiency at all stages of the life of the asset and ensure we have financial provisions for this additional investment. We also need to consider the energy efficiency of our contractors and supply chain.
	The Charter for Social Housing Residents: Social Housing White Paper (2021) –We must create a framework which captures and responds to feedback from our customers. We need to communicate clearly and accurately with our customers providing timely information that will provide them with assurance and confidence in the delivery of our services. The government also proposes a new Decent Homes Standard for all social housing properties.
	RSH Regulatory Standards and Risk Profile –The key focus is to continue to meet the consumer standards set out by the Regulator of Social Housing. We also need to ensure our data is accurate and we are confident to use it to develop our future investment plans. We will use the annual Risk Profile to adapt and continually shape our strategy in line with its recommendations.
	Local Authority Partners and Other Stakeholders –To develop this strategy, we have reviewed the relevant local and strategic plans of these partners to ensure that we can support the delivery of their objectives as well as our own.
	Wandle Supporting Strategies – This strategy, a core supporting strategy to our corporate strategy, is intended to be delivered by teams across the organisation. We have reviewed our thinking and approach to ensure that this is aligned with range of strategies (new homes growth, value for money) to meet our corporate goals and objectives.

2. Context and Vision

The Asset Management Vision

The overall asset management challenge is of a different scale and complexity than that faced by the sector in the past. The full range of activities required to deliver an effective and efficient asset management framework are wide-ranging and complex. Whilst this document provides a strategic direction it also addresses core operational issues that will be faced during this time, and details how we will improve these areas to deliver this strategy.

It is also accepted that there are a range of 'business as usual' activities that are not addressed in this strategy directly but are assumed to continue as part of the standard service of managing and maintaining our portfolio.

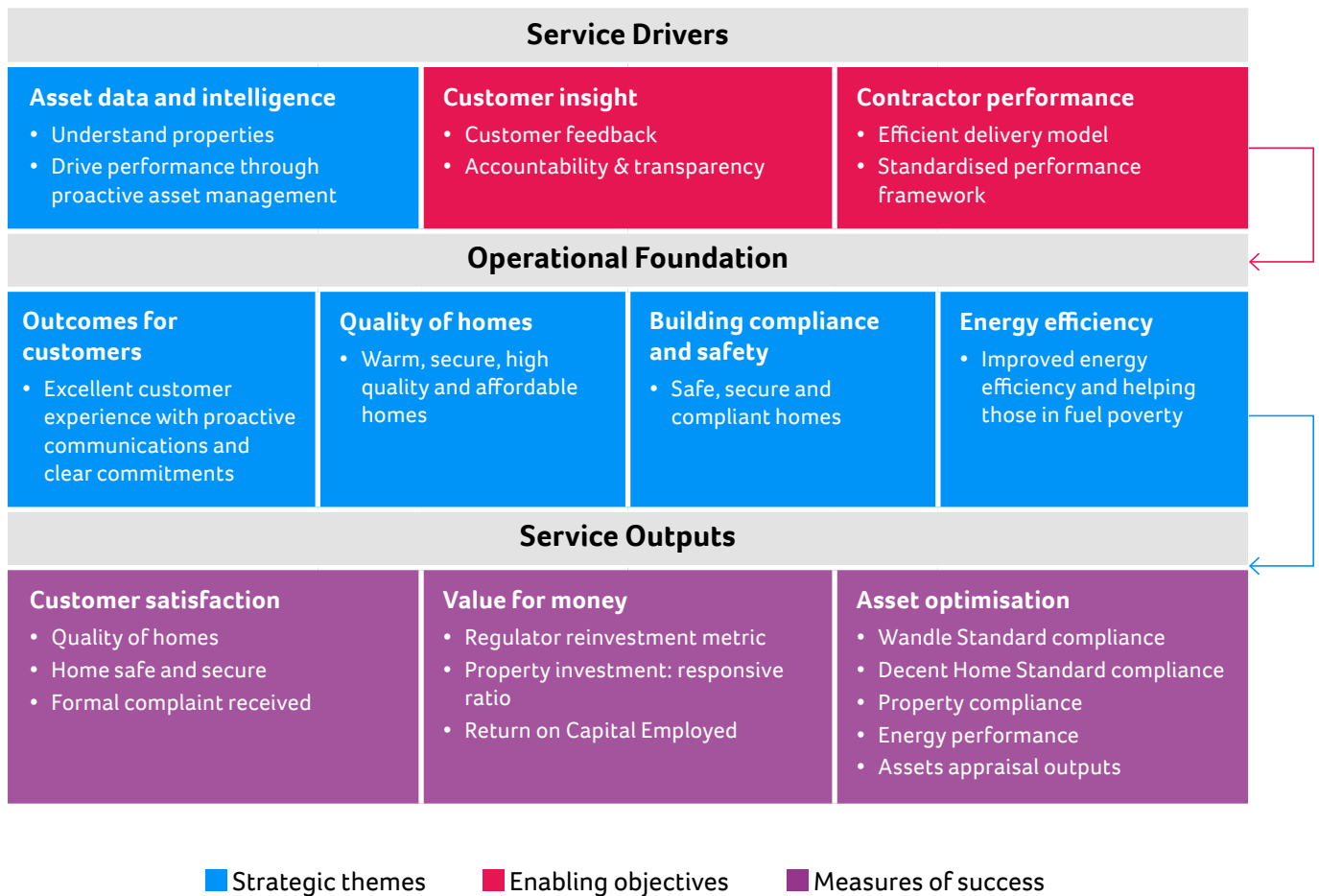
Our asset management vision will help shape the activities that will be required over the next five years to deliver the performance targets we have set ourselves.

The activities and improvements required to meet these strategic objectives are impacted by all elements of service delivery, across the range of workstreams delivered to our customers.

Our intention is that this strategy will provide consistent improvement, impacting on all customers and allowing the various internal teams to work together and collaborate on achieving its objectives.

The strategic delivery model captures three areas of service delivery – service drivers, the operational foundation, and service outputs. We know that if we can improve both the service drivers and operational foundation this will increase our performance in the service output areas. There are five strategic themes supported by two important enabling objectives proposed to deliver our objectives.





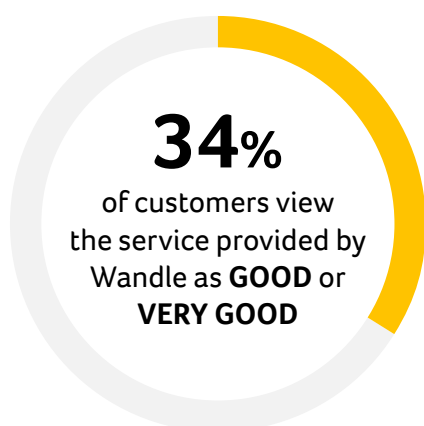
2. Context and Vision

Customer Feedback and Insight

In response to the 2018 Social Housing Green Paper, the National Housing Federation 'Together with Tenants' charter, and our own Corporate Strategy, we wish to strengthen the insight we gain from our customers to inform our services and investment.

During early 2022, we carried out a survey with all our customers and received over 1,600 responses.

We also conducted two focus groups with our Customer Excellence Panel, allowing us to gain more specific insight into our core areas of focus over the coming years. We undertook an extensive complaints review, to identify those areas where we were falling short and to capture the commitments we had given to our customers.



75% of customers would like to see further investment to the major components in their home

55% of customers would like to see more communication from Wandle on upcoming works

24% would like more involvement in the choice and materials used in their homes

15% of customers feel the quality of installations and repairs could be improved

12% of customers see the need for improving energy efficiency as an investment priority

From the consultation carried out with customers, we have gained the following insight which has been used to inform this strategy:

- ✓ Managing and balancing the investment between decent homes works and energy efficiency improvements and how we communicate this to our customers
- ✓ We need to invest in the external areas of our properties as well as the homes themselves
- ✓ Customers would like more notice, communication and choice when we are delivering capital and cyclical investment
- ✓ We need to improve the first point of contact to support quicker resolution of issues and to de-escalate potential complaints
- ✓ We must empower our staff to provide quicker resolution to issues and prevent problems being passed between teams/individuals
- ✓ Better use of technology to provide information and self-service, and quicker feedback routes
- ✓ Improved contract management with third party contractors and ensuring consistent communication between Wandle, contractors, and customers

We feel that better insight is required by getting 'under the skin' of some of the issues and ideas that our customers can share with us. By better utilising our Customer Excellence Panel we will carry out more detailed and focussed engagement with our customers to monitor and measure our service improvement plans. This will be supported through the creation of Resident Steering Groups for our larger schemes, led by our Customer Service Delivery team.

Finally, we need to better understand the demographics of our customers to allow us to foresee any future changes that they may require to their homes. We will develop analysis pulling together the data we hold about repairs and housing management to provide better insight regarding the relationship between our customers and their homes. We will consider how to introduce these measures into our strategic asset management appraisal framework.



2. Context and Vision

Contract Performance Management

We deliver the range of asset management services through several contractors and partners, and the global pandemic of the last two years significantly impacted the delivery of these services. Our corporate strategy commits to continued leveraging of our status as a community-based landlord, which means that we will continue to procure suppliers locally who will support the delivery of our objectives. We currently work with 4C Procurement as our procurement advisors, who will support our procurement and ensure continued compliance with our procurement policy and adherence to our value for money principles.

In conjunction with 4C Procurement, we will improve our approach to contract management and we will do this through implementing a standardised contract management framework. This will provide a consistent methodology of how we manage and monitor:

- ✓ Delivery of works programmes against published schedule
- ✓ Quality of workmanship, materials and components
- ✓ Customer experience and satisfaction
- ✓ Costs and budgets
- ✓ Supply of data and insight
- ✓ Delivery of added value, efficiency and social value

Where skills gaps are identified we will provide training to our teams to improve their skills in contract management. We will also be transparent with our customers and board members providing an annual performance statement detailing how our contractors are performing and providing clear upcoming annual objectives for further improvement.

We are reviewing our approach to repairs service delivery and continue to implement improvements so that we complete more repairs right first time and residents experience less disruption in respect of appointments.



Managing Agents Performance Monitoring

Several of our sites are managed by third-party superior landlords (and their managing agents). This can cause confusion for customers in terms of responsibilities and service delivery. We have conducted a full audit of all our properties where residents receive a service from a managing agent and mapped the legal, operational and communication structure for each property.

We will communicate a clear overview of services, contact information and legal responsibilities to all residents impacted. We will develop more strategic relationships with our managing agent partners; not only to better support our investment and building safety compliance of these properties but also to improve communication with our customers.

COMMITMENTS TO MEET OBJECTIVE:

- Review outcomes from early adopters of the 'Together with Tenants' charter to consider their application to the strategy.
- Work with the Customer Excellence Panel to agree protocols that provide more accountability and transparency to planned investment delivery.
- Use the Resident Steering Groups, once created, to gain feedback. Develop a rolling programme of updates to be delivered.
- Review our approach to how customer insight can be incorporated into our asset appraisal model.
- Embed a process and culture of 'listening and learning' from complaints, including a commitments tracker and evidenced implementation of actions arising from complaints.
- Develop a framework for using customer and repairs data to understand and improve service delivery.
- Agree and implement supply chain delivery options, including responsive repairs delivery model.
- Develop and roll out of contract management framework.
- Improved management framework for managing agents, aligned to recommendations of Housing Ombudsman Spotlight into managing agents.

3. Outcomes for our Customers that Make us Proud

A key corporate objective is delivering a demonstrable improvement in our overall customer satisfaction. The role that property related services and customer experience play in achieving this objective is recognised. The feedback gathered from customers shows current satisfaction of 60% with the quality of homes and 34% with the quality of service. We want to improve these figures over the life of this strategy. Customer insight tells us that we need to increase the level of communication with our customers and ensure that they are confident that we will deliver against our commitments.

A major element of improving the customer experience is by embedding a culture of customer service – this is supported through our ‘Think Customer’ value and our corporate objective of ‘Providing homes we would be happy to live in’. This will be addressed through setting and managing our customers’ expectations and keeping our commitments made to customers.

We will define the customer journey for each of our services as part of the planned process reviews. This will allow us to identify the process that the customer will follow and where there are potential service failure points. We will clearly identify the accountable roles/teams for each touchpoint or decision-making process. This will provide greater accountability to customers and identify who is responsible for each stage in the customer journey; we expect that this will speed up our resolution to issues and concerns.

We intend to share more information with our customers to allow them to be better informed. This will include planned programmes of works, stock condition information, service standards, risk assessments and actions and more financial information for our leasehold customers. We will do this by adding property related information to the customer handbook. We will also provide information as and when it is relevant to customers, in a format which suits them. By further developing MyWandle, which was launched in 2021, we will provide more opportunities for customers to self-serve through this portal.

By increasing the use and quality of our service drivers and strengthening our operational foundation, we expect to see the required improvement in our overall customer satisfaction. To help us measure this more effectively we will carry out more transactional surveys. Results will be reported to our Customer Excellence Panel and Executive Team alongside the progress against our Asset Management Strategy Action Plan.

COMMITMENTS TO MEET OBJECTIVE:

- Publish planned works programme and stock condition data.
- Carry out process reviews of all asset management functions, as set out in the Value for Money Strategy.
- Communicate sinking fund review outcomes to leaseholders.
- Deliver MyWandle developments to improve customer self-service.

4. Asset Data and Intelligence

Asset Data

	Asset Data Sources		Service Data Sources
	• Stock Condition Surveys • EPC Surveys • Proactive Property Surveys • Fire Safety Risk Assessments • Internet of Things data		• Repairs History and Analysis • Compliance Reports • Estate Inspection Reports • Customer Requests

Our strategic approach to our asset data is currently focussed on using a range of formal and informal sources of data held on our asset management system and our customer CRM system.

We gather formal data through physical surveys of the property (or block) and more informal data points are gathered reactively through our services and inspections.

This data informs our programmes of work and our Long-Term Financial Plan (LTFP) assumptions; ensuring that we have the financial capacity to invest in our properties and estates. By overlaying these sources of data, we will be able to better analyse and compare asset trends and move to a more proactive asset management position.

We will continue to gather formal data through an accelerated Stock Condition Survey programme to ensure that by March 2025 we have 95% of our properties fully surveyed. We will do this through a rolling programme of c.1,800 surveys per year; prioritised based on age of existing surveys but targeting high risk properties or those with high repairs activity. We will maintain surveys for all properties will be no less than 5 years old and consider a data confidence measure to assess the validity of existing survey condition data. We will also survey leasehold and mixed tenure blocks to confirm investment need and inform leaseholders and shared owners of the potential costs to them.

We will adapt our condition surveys to capture additional information required to drive our energy efficiency approach.

Repairs Analysis

We will continue to use our repairs data to help inform how our properties can be more proactively maintained. Our repairs data will also be used to prioritise planned and cyclical investment to ensure that there is an adequate balance between our capital and revenue expenditure and reduce repairs demand across the portfolio.

We will introduce targeted property surveys which will allow us to carry out more thorough whole house assessments in addition to our stock condition surveys. This additional property data will help inform wider trends and resolve any issues in a more preventative approach using the principles of active asset management. The targeted surveys will be based on trigger points and trends identified from our analysis.

4. Asset Data and Intelligence

Active Asset Management

Active Asset Management is a critical element of our overall asset intelligence, using asset data and resulting analysis to create longer term strategic pathways for our homes, blocks, and estates. The analysis will support our value for money objectives to optimise the economy, efficiency and effectiveness of our assets. We will seek to maximise the financial and social return of our assets and carry out appraisals where necessary to inform investment or divestment decisions.

Using our asset appraisal model, we have reviewed and assessed our rented properties across a range of financial, operational, strategic and customer focussed metrics. We calculate the financial performance of each asset (Net Present Value, NPV) taking into account rental incomes, operating costs and future investment requirement. We have developed a separate non-financial metric (Strategic Value, SV), comprising location, management, property and neighbourhoods to assess the strategic relevance of the assets.



6,109

Asset Count

£71,045

NPV Average

0.64

SV Overall Average

The resulting performance matrix informs our short, medium, and long-term management and investment strategies, including identifying those properties which potentially detract value from the overall portfolio. We are completing our Build More Homes pilot in March 2023 and will review our property disposal criteria to determine the properties to be considered for future disposals. Currently, of the 90 rented properties in the B2 quadrant, only 11 have a negative NPV but it is likely that more properties will present poorer financial performance as we consider the impact of proposed energy efficiency interventions.

Analysis of the June 2022 appraisal outputs by portfolio type and local authorities suggests that detailed options appraisal will be required of sub portfolio categories to determine appropriate interventions required. For example, flats in converted properties have a lower average NPV (£64k per dwelling compared with average of £71k for the portfolio) and have the lowest average Strategic Value. Likewise, the portfolio in the London Borough of Bromley has the lowest average NPV and lowest SV when compared with other local authority portfolios.

During the life of this strategy, we will review and devise an appraisal methodology aligned with the measures of our customer insight and as we conclude our service charge work, will incorporate appropriate measures for leasehold portfolio.

We will also review the appropriateness of the current appraisal system.

Annually we will provide an Asset Optimisation Statement to our Executive Team and Board members to demonstrate progress towards the value for money objectives and identify those properties or blocks which require further review and appraisal to determine long term strategic asset management interventions, including investment return, alternative opportunity and ensure our asset portfolio remains efficient and effective.

Long Term Budget and Programme Planning

We will improve our approach to planning major and cyclical investment; not only to inform our LTFP but more importantly to better communicate with our customers.

Using the asset data we collect through our stock condition surveys and the strategic asset management outputs, we will develop 3-year programmes of works and associated budgets. A 3-year programme, with an element of contingency to address any urgent or

unforeseen works will not only help us better procure and deliver works with our main contractor partners, but also give our leasehold customers better time to financially prepare for any contributions they will need to make. This will be supported by a review of leaseholder reserve funds to ensure that they are able to adequately contribute to the cost of major works. We will also better be able to inform our approach to building safety and energy efficiency by delivering coordinated programmes of work.

COMMITMENTS TO MEET OBJECTIVE:

- Commission rolling programme of stock condition and EPC surveys to improve data quality.
- Complete and review outcome of the Build More Homes pilot and recommend future asset disposal categories within a revised disposal policy.
- Review the stock appraisal model to incorporate customer feedback insight, energy efficiency costs and leasehold portfolio. Consider appropriateness of current appraisal model.
- Create 'pen portrait' roadmaps for identified sub-portfolios to provide clear process and actions resulting from the annual outcome report. Ensure that the categorisation is embedded within the investment planning process to appropriately direct investment.
- Develop 3-year programmes of work for planned maintenance and cyclical decoration workstreams.
- Review of leaseholder reserve funds in line with the LTFP and programme requirements.

5. Quality Lifetime Homes

The Wandle Property Standard

Wandle Property Standard (WPS) was developed in 2017 based on feedback from residents to reflect their expectations and aspirations in homes they can thrive in. The standard ensures our properties meet legislative and regulatory requirements and proposes enhanced Decent Homes Standards (DHS) in respect of component replacements. As of 31 March 2022, 97.8% of our properties meet the DHS and 60% of the portfolio requires no additional investment to comply with the Wandle Property Standard. The remaining 40% (2,450 properties) require additional investment of £17.6 million to meet the Wandle Property Standard.

Our LTFP has sufficient provision to fund the investment required to meet the Wandle Property Standard profiled over 30 years. During the life of this strategy, circa £60m investment will be required to meet the Wandle Property Standard. However, there is a potential shortfall in the LTFP to fully fund the 'enhanced' elements of the Wandle Property Standard over the initial 5 years.

The government in its February 2022 Levelling Up white paper commits to conclude a review of a new DHS standard with an objective to reduce by half the number of non-decent properties by 2030. Our initial assessment suggests that the current Wandle Property Standard already incorporates potential revised requirements, and we will continue to monitor its development prior to the agreement on the revised standard in autumn of 2023.

We propose to continue with the adoption of the current Wandle Property Standard for all properties while we work with residents through the Customer Excellence Panel to review the standard in line with upcoming changes in the Decent Homes standard as well as the emerging decarbonisation and building safety agendas. We will also listen to customers' feedback and learnings from our equality, diversity and inclusion work to ensure this is reflected in our approach to lifetime homes.





This strategy commits to achieve a minimum compliance of 100% for Decent Homes Standards and all building safety and property risk regulations. We will also maintain 60% compliance for the Wandle Standard enhancements. However, to support the Corporate Strategy's 2025 customer satisfaction objective, we propose an aspirational 85% compliance with the Wandle Property enhancements by 2027, subject to proposals within our Value for Money strategy. The Value for Money strategy suggests as part of the annual business planning process, that any surplus above EBITDAMRI¹ business plan target should be considered for future investment into the property portfolio among others.

Equally important as the standard itself is how we assess our investment and services against the standard and communicate this to our residents. We will develop a reporting tool which will be able to take all of the elements of the standard and convert these into a standardised measurement methodology. This will inform us of those properties meeting the standard and those which are not, which will in turn direct investment into the right homes.

A significant proportion of our customers live in blocks; therefore we feel that we need to develop a specific approach to manage this element of our portfolio with particular focus on revenue elements for repairs to structures, communal and external areas and cyclical decorations.

Our strategic aim is that the Wandle Property Standard becomes an integral part of how and where we make investment. We will also provide a clear framework communicating to both staff and residents 'what' the standard means in practice and how it should be applied. We will also use the standard to set a consistent approach to the quality of home that our residents live in.

The standard will be aligned to our repairs service, void works and lettable standard. This consistency will ensure that we are managing expectations as well as providing a clear understanding of our responsibility to residents and allowing them to measure our performance against this.

1. EBITDAMRI is a measure showing accounting surplus in one year, including major repairs investment as a ratio of income in that year.

5. Quality Lifetime Homes

Disrepair, Damp, Mould and Condensation

As well as providing safe and modern homes, we also need to ensure that our homes are not detrimental to our customers' health and wellbeing. We have been actively managing and understanding the challenges we have within the portfolio around disrepair, damp, mould and condensation.

Through our asset data and repairs history we will continue to identify property archetypes or trends which may lead to future disrepair cases and develop longer term strategies to implement pre-emptive maintenance. We will use a proactive approach in the overall delivery of maintenance to further develop our capacity and better use resources.



Our new approach to patch-based maintenance surveys will allow us to target properties considered 'at risk' of potential disrepair. Targeted surveys, including stock condition surveys will be carried out to move this to a more proactive position, and reduce disrepair expenditure. We will focus on process and management issues such as:

- ✓ How disrepair cases are logged and categorised, including stock condition data, investment required, and repairs history
- ✓ A more robust and technical review of the stock data and property condition at the time of the case being logged
- ✓ Implementing 'Internet of Things' devices to help proactively diagnose and monitor damp and mould
- ✓ Full inventory / stock condition survey carried out prior to letting the property, as part of the void works to ensure no potential or current disrepair failures are present

COMMITMENTS TO MEET OBJECTIVE:

- Consult with tenanted customers to further develop the Wandle Standard in line with potential changes to current Decent Homes Standard.
- Create block investment programmes, including cyclical decoration programme.
- Implement proactive repairs management and preventative disrepair approach.

6. Building Safety and Compliance

Building Safety remains a key priority within our corporate strategy, and our aim is to create a framework that supports the delivery of the requirements within the building safety framework driven by the newly introduced Building Safety Act 2022 and Fire Safety Act 2021.

Our Corporate Strategy commits to properties that are safe, secure, and compliant. We will ensure our servicing and testing regime remains at high levels of performance and any issues identified are resolved in a timely manner. We will work with our customers to ensure they can keep themselves and their neighbours safe, and that materials we use within homes are the safest available.

In order to ensure continued compliance and “best in class” performance, we will ensure that our delivery approach remains in line with the Building Safety and

Fire Safety Act as well as any supporting government guidance. We will review all building safety and compliance delivery contracts to ensure that they are fit to deliver the changes in upcoming regulation and will procure and embed new contracts where appropriate. We will carry out a review of our building safety framework which aims to ensure that all areas of building safety are holistically managed and continue to deliver our strategic objectives. We will also review the third-party quality control regime to ensure contractors are effectively monitored.

Building Safety

Under the Building Safety Act, those responsible for buildings, known as Accountable Persons, need to deliver a continuous preventative and proactive approach to managing building safety risks. The Building Safety Case Report provides a summary of the steps Accountable Persons have taken to identify, assess, remove, reduce, and manage building safety risks – demonstrating that reasonable and proportionate steps have been taken. It is supported by the wider safety case and the ‘golden thread’ of information which provides the full body of information and evidence around the assessment and management of building safety risks stored digitally.

We will therefore implement new building safety requirements including new building safety cases, competencies and controls to ensure compliance, including reviewing our fire safety strategy and appointing new fire safety consultants to ensure compliance with new legislative requirements.



6. Building Safety and Compliance

We will also develop our approach for achieving the ‘golden thread’ requirements for building safety cases on our high-risk residential buildings e.g. Building Information Modelling (BIM) for new and existing buildings.

Additionally, we will review and strengthen resident engagement tools and systems including embedding the portal as a means of engagement for building safety matters and creating a third-party managing agent procedure to strengthen relationships with our superior landlords.

The Fire Safety Act clarifies that for buildings containing two or more sets of domestic premises, the Order applies to the building’s structure and external walls and any common parts, including the front doors of residential parts. It also clarifies that external walls referenced in the Order include ‘doors or windows in those walls’ and ‘anything attached to the exterior of those walls such as balconies.’ Most of the requirements set out in the Regulations are imposed on the responsible person (RP), and RPs are expected to start planning and preparing for them ahead of the Regulations coming into force. The requirements set out vary by height with prescribed standards for identifying and assessing risk for the 800 buildings that we are responsible for.

Residential Buildings	High Rise (6 storey & 18m+)	Medium Rise (5 storey & 11 -18m)	Low Rise (Less than 4 storey & 11m)
Wandle owned & managed blocks	4	32	764
Number of dwellings	147	470	3526
Fire Safety Requirements			
Fire Risk Assessment prioritisation tool	✓	✓	✓
Information to residents – fire safety instructions	✓	✓	✓
Information to residents – fire doors	✓	✓	✓
Fire door checks	✓	✓	
Secure information box	✓		
Design and materials for external wall	✓		
Floor plans and building plan	✓		
Lifts & firefighting equipment	✓		
Wayfinding signage	✓		

We will deliver the EWS1 remediation programme for buildings in scope, ensuring that this is supported by strong customer engagement and required competency framework. We will also ensure that we remain flexible to adapt to any changes arising in this area. In line with new Building Safety Act, and Defective

Premises Act provisions, we aim to recover costs from those that developed the buildings in question, with recovery from leaseholders being a last resort. We will commission PAS 9980 reviews of all properties as stipulated by new guidance, and ensure corrective actions are implemented in a timely fashion.

Monitoring, Management and Reporting

We have made the commitment in our Corporate Strategy that we will develop a property compliance dashboard. This will pull together all the key workstreams of property and communal compliance as well as our obligations to meet building safety.

We will also develop a supporting compliance framework which will detail the various activities, tasks and audits that will be required to meet our landlord obligations and provide our customers with assurance to the safety of their home.

We will share all required information with our customers via the MyWandle portal, to provide them

with the assurance and confidence in the safety of their home. In addition, we will seek added assurance from a third-party review of our processes and systems.

We will also continue to strengthen the relationship between the new homes team and asset/building safety teams and continue to strengthen the quality of our asset data.

We will embed the new gas servicing and maintenance contract as part of the repairs transition programme and review other existing building safety and compliance delivery contracts to ensure fit to deliver building safety obligations.

COMMITMENTS TO MEET OBJECTIVE:

- Review all current compliance contracts to provide assurance to meet existing and new regulations. Reprocurer gas servicing and maintenance contract.
- Create building information action plan to support the embedding of the 'golden thread' for all new developments.
- Obtain all relevant information and assurances from managing agents relating to compliance and building safety.
- Develop property compliance dashboard for internal monitoring and reporting
- Holistic review of building safety carried out by third party.
- Provide residents with clear, easy to understand information to give assurance on building safety and compliance, via MyWandle.

7. Asset Decarbonisation

Our Corporate Strategy objective proposes to build successful communities and we recognise that we have a key role in improving the sustainability of our homes, as well as ensuring that our supply chain has, and delivers against, a set of carbon targets. A UK government energy white paper published in December 2020 reiterates a commitment that as many social housing homes as possible should reach EPC C by 2030 and to be net zero carbon by 2050. The Wandle Property Standard has been updated to reflect the government's new 2030 target to get dwellings to minimum EPC C by 2030.

Wandle portfolio by EPC band

A 23 (0.31%)

B 1,188 (15.96%)

C 5,165 (69.40%)

D 1,021 (13.72%)

E 40 (0.54%)

F 5 (0.07%)

G 0 (0.00%)

There are currently 1,070 properties below EPC C (RdSAP 69), therefore 85.6% of the stock currently meets EPC C (RdSAP 69 or above). The LTFP has provisions of £6.3m to fund interventions required to reach the 2030 target, based on a review carried out using our 'Portfolio' energy assessment tool. The LTFP provision is spread over 6 years, with £3.2m available during the life of this strategy.

Customer feedback from recent surveys rated energy efficiency works as a key area of improvement to improve satisfaction with their homes. We adopt the National Housing Federation guidance published in October 2021, recommending that investment in fabric

investment should be prioritised and the switch to decarbonisation should begin as soon as possible but to a slower timetable with investment in the 2030's. Not only does this provide the most sustainable and cost-effective improvements for our tenants but is also aligned to the Social Housing Decarbonisation Fund (SHDF) principles.

We will seek to improve the energy performance of our assets adopting EPC C (RdSAP 69) as minimum energy performance for individual properties. We propose a minimum target of 90% of the portfolio achieving EPC C by March 2027 as part of a roadmap to achieve Net Carbon Zero (NCZ) from 2030 onwards.

Our assessment suggests net investment costs of £3.2 million (average £2.9k per property) will be required to achieve EPC C compliance. Whilst this is budgeted for in our LTFP, we will seek to utilise available funding opportunities where possible.

We will seek to understand the optimum level of investment for return. Several properties may require significant investment to achieve minimum energy performance or perhaps may never achieve Net Carbon Zero. These assets will be considered as part of our asset optimisation plan for potential disposal or alternative use. Where additional investment is marginal to achieve a higher position than EPC C we will look to make that investment.

We will also identify the long-term maintenance, replacements (such as invertors on solar PV panels) and lifecycles for any measures to embed this into our stock database and our LTFP.

Whilst we may not necessarily need to replace gas boilers with alternative heating provision during this strategy period, it is an area where we need to keep a watchful eye. We need to investigate and understand the alternative heating provisions within the market.

We will also apply learnings from our new build developments, even though alternative heat sources perform differently to those retrofitted into existing homes. We will use this learning to inform our technical approach and communications to our customers.

External Funding

To support the Clean Growth Strategy the Government has set up the Social Housing Decarbonisation Fund (SHDF) to be accessed over a 10-year period, to encourage and enable social housing providers to accelerate their energy efficiency and decarbonisation plans. The fund aims to:

- ✓ Upgrade a significant amount of the social housing stock currently below EPC rating C up to that standard,
- ✓ Deliver warmer and more energy-efficient homes,
- ✓ Reduce carbon emissions,

- ✓ Reduce energy bills, and tackle fuel poverty and support the creation of 'green' jobs

We will aim to submit funding applications to the SHDF and apply for other funding opportunities that are made available.

Resources, Skills and Supply Chain Capacity

The installation and ongoing maintenance of energy efficiency measures will, in some cases, be new to Wandle and the housing sector. We will recruit staff to lead on this work and support a skills audit and resource gap analysis within Wandle and our supply chain to identify additional requirements to support our work in this area.

It may be necessary to identify new resources, training and upskilling to further develop Wandle's technical capacity, project management and delivery. We will provide training to our teams to gain better knowledge in carbon awareness, technical solutions and cost management for new technologies entering the market.

7. Asset Decarbonisation

Customer Knowledge

Our initial priority is to improve the fabric and overall efficiency of our homes. This will also need to be accompanied by training, knowledge and communications to help our customers understand the changes we may have made and also how their behaviour can support the effectiveness of these improvements.

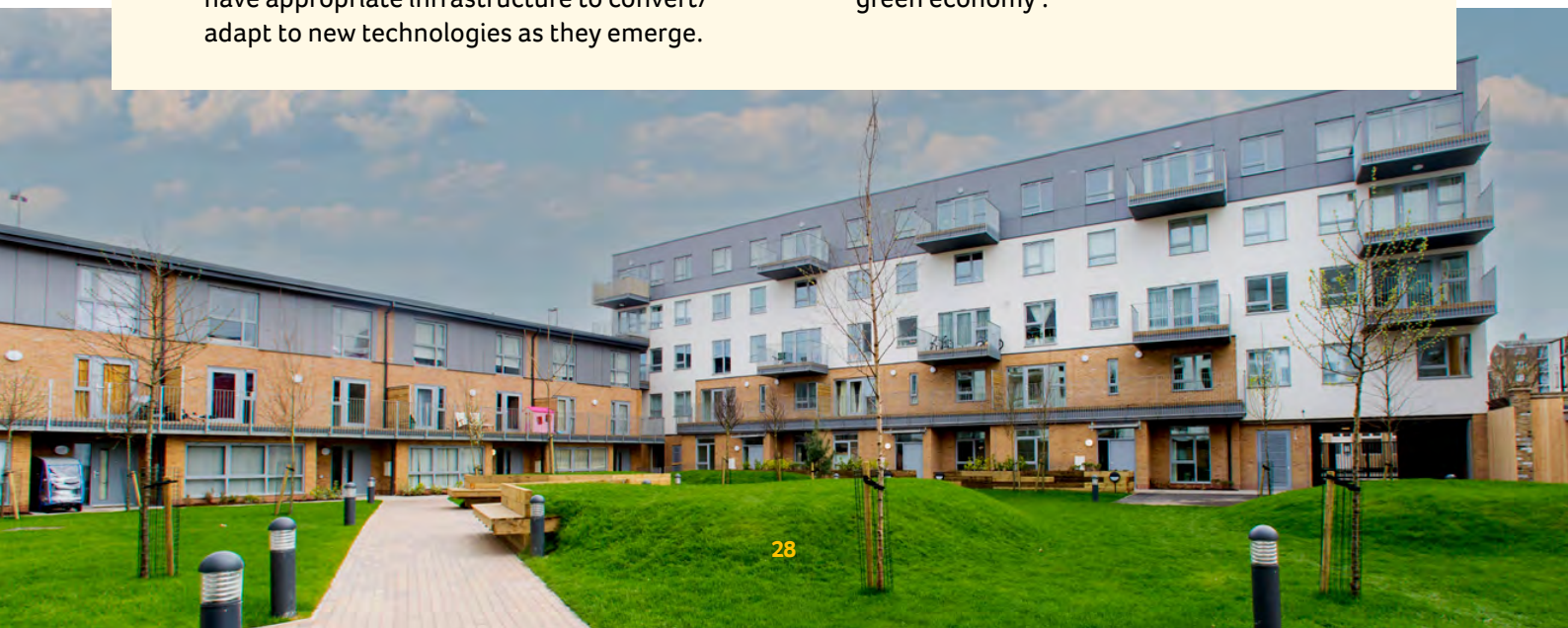
We will identify partners where we can signpost tenants, who are able to give further support on both energy efficiency and managing their energy expenses.

There is the potential to create skills and training opportunities to support the 'green economy' in the areas where we operate. We will explore the ability to help our customers to find employment and training within this emerging marketplace.

We will work alongside our supply chain partners to create and deliver these skills, training and employment opportunities through their social value commitments.

COMMITMENTS TO MEET OBJECTIVE:

- Carry out technical assessment and validation on EPC C and NCZ cross referencing against eligible properties, including hard to treat to ensure coordinated investment.
- Increase awareness across business regarding EPC C, NCZ, seeking new funding opportunities and effective programming of works.
- Ensure new build developments deliver 'NCZ ready' buildings that are thermally efficient and have appropriate infrastructure to convert/ adapt to new technologies as they emerge.
- Develop resident communications approach around energy efficiency improvements and investment priorities.
- Carry out internal and supply chain skills and training gap analysis including resource capacity to deliver additional works.
- Identify areas where customer skills and knowledge will need to be developed to secure employment opportunities in the 'green economy'.



8. Measures of Success

The Asset Management Strategy is a core supporting strategy, owned by the Wandle Board which will be formally reviewed in March 2025 alongside the development of a new Wandle corporate strategy. A review of the equality diversity and inclusion impact of the proposals within the strategy will be included in the annual action plan.

The strategy will influence three key areas aligned with the corporate strategy objectives and the relevant supporting core strategies (i.e. new homes growth strategy, our value for money strategy etc). Proposals outlined within the strategy will in some instances directly deliver the required outcomes.

It will also support the delivery of the corporate strategy themes alongside other strategic and enabling strategies. In some cases, where there are no agreed targets, we will monitor our progress on these metrics and identify on an annual basis, proposals to improve the metrics and the likely outcome.

Success Measure Themes	Outcome Measure (in brackets links to other Wandle strategies and target if any)
Customer Satisfaction	70% tenants & 66% leaseholders satisfied with quality of home (Corporate Strategy – March 2025 target) 75% tenants & 64% leaseholders satisfied the home is safe and secure (Corporate Strategy – March 2025 target)
Asset Optimisation	85% Wandle Property Standard compliance (March 2027 target) 100% Decent Home Standard compliance (annual target) 100% Health & safety compliance (monthly target) 90% portfolio at EPC C (March 2027 target) - Asset appraisal outputs showing improved NPV outcomes (TBC)
Value for Money	- VFM reinvestment ratio at 4% (VFM - March 2025 target) - Property investment: responsive ratio (VFM – monitor progress) - Return on Capital Employed at 4.15% (VFM – annual target) - Return on Capital Employed based on opportunity cost (VFM – to be agreed)

To help us measure progress towards these outcomes more effectively we will develop a 12 - 18 months action plan with targets for the proposed initiatives. Updates on the action plan will be reported every six months with review on progress and the effectiveness of the initiatives.

The asset management action plan, updated annually, will be considered for approval by the Asset Investment Committee alongside an asset optimisation statement. Decisions required for the initiatives will be governed by delegated authorities within the standing orders.

8. Measures of Success

To support the delivery of these outcomes we have identified a range of additional performance measures which influence or impact on the proposed strategy outcomes, some of which are already part of the corporate reporting to Executive and Board.

Where necessary we will agree reporting on additional measures to either Executive or Asset Investment Committee to demonstrate progress against agreed action plans.

Success Measure Themes	Other relevant output/performance measures
Customer Satisfaction	- Satisfaction that the home is well maintained (TSM) - Satisfaction that the landlord keeps communal areas clean and well maintained (TSM) - Satisfied that the home is safe (TSM) - Satisfaction that the landlord keeps tenants informed about things that matter to them (TSM) - Satisfaction with repairs and major works (transactional) (CS) - Satisfaction that the landlord listens to tenant views and acts upon them (CS) - Formal complaints received per 1000 units (CS) - Repairs completed within target timescales (TSM) - Satisfaction with time take to complete most recent repair (TSM) % of repairs completed first time
Asset Optimisation	- Percentage of properties that had a gas safety check and record completed by the anniversary date - Percentage of domestic properties with a satisfactory EICR up to five years old - Percentage of assets covered by a valid FRA (Fire Risk Assessment) - Percentage of assets covered by current asbestos survey - Percentage of relevant water installations covered by a risk assessment - Percentage of communal passenger lifts with compliant LOLER examination - Percentage of valid estate inspections - Average NPV per property - Average Strategic Value of portfolio - Number and costs of disrepair claims - Properties with valid stock condition surveys (including EPC) - Percentage vacant properties available and unavailable to let
Value for Money	- Average repairs jobs per home - New homes acquired vs assets sold ratio - Number of new homes acquired within existing portfolio (hidden homes)

To help us measure progress towards these outcomes more effectively we will develop a 12 - 18 months action plan with targets for the proposed initiatives. Updates on the action plan will be reported every six months with review on progress and the effectiveness of the initiatives.

Appendix 1 – Summary of Commitments

Strategic/ Enabling Theme	Commitments	2022/23 Milestones		2023/24 Milestones			
		Q3	Q4	Q1	Q2	Q3	Q4
Outcomes for our customers that make us proud	Review outcomes from early adopters of the 'Together with Tenants' charter to consider their application to the strategy.		Mar				
	Work with the Customer Excellence Panel to agree protocols that provide more accountability and transparency to Asset Management delivery.				Sep		
	Improved management framework for managing agents, aligned to recommendations of Housing Ombudsman Spotlight into managing agents.		Mar				
	Publish planned works programme and stock condition data.		Mar				
	Deliver MyWandle developments to improve customer self-service.						Mar
	Carry out process reviews of all asset management functions, as set out in the Value for Money Strategy			Apr			
	Communicate sinking fund review outcomes to leaseholders			Apr			
Quality of homes	Implement proactive repairs management and preventative disrepair approach.		Jan				
	Create block investment programmes, including cyclical decoration programme.				Sep		
	Consult with tenanted customers to further develop the Wandle Standard in line with potential changes to current Decent Homes Standard.					Dec	
	Review of leaseholder reserve funds in line with the long-term financial plan and programme requirements.		Mar				
	Develop 3-year programmes of work for planned maintenance and cyclical decoration workstreams.					Dec	

Strategic/ Enabling Theme	Commitments	2022/23 Milestones		2023/24 Milestones			
		Q3	Q4	Q1	Q2	Q3	Q4
Building safety and compliance	Provide residents with clear, easy to understand information to give assurance on building safety and compliance, via MyWandle.			Apr			
	Holistic review of building safety carried out by third party.			Apr			
	Develop property compliance dashboard for internal monitoring and reporting.	Oct					
	Obtain all relevant information and assurances from managing agents relating to compliance and building safety.		Mar				
	Create building information action plan to support the embedding of the 'golden thread' for all new developments.						Mar
Energy efficiency	Carry out technical assessment and validation on EPC C and NCZ cross referencing against eligible properties, including hard to treat to ensure coordinated investment.		Mar				
	Increase awareness across business regarding EPC C, NCZ, seeking new funding opportunities and effective programming of works.			Apr			
	Ensure new build developments deliver 'NCZ ready' buildings that are thermally efficient and have appropriate infrastructure to convert/adapt to new technologies as they emerge.						Mar
	Develop customer communications approach around energy efficiency improvements and investment priorities.			Apr			
	Carry out internal and supply chain skills and training gap analysis including resource capacity to deliver additional works.					Dec	
	Identify areas where customer skills and knowledge will need to be developed to secure employment opportunities in the 'green economy'.						Mar

Appendix 1 – Summary of Commitments

Strategic/ Enabling Theme	Commitments	2022/23 Milestones		2023/24 Milestones			
		Q3	Q4	Q1	Q2	Q3	Q4
Asset data & intelligence	Commission rolling programme of stock condition and EPC surveys to improve data quality.	Oct					
	Create 'pen portrait' roadmaps for identified sub-portfolios to provide clear process and actions resulting from the annual outcome report. Ensure that the categorisation is embedded within the investment planning process to appropriately direct investment.				Sep		
	Review the stock appraisal model to incorporate customer feedback insight, energy efficiency costs and leasehold portfolio. Consider appropriateness of current appraisal model.			Apr			
	Complete and review outcome of the Build More Homes pilot and recommend future asset disposal categories within a revised disposal policy.		Mar				
Customer insight	Use the Resident Steering Groups, once created, to gain feedback. Develop a rolling programme of updates to be delivered.				Sep		
	Review our approach to how customer insight can be incorporated into our asset appraisal model.		Mar				
	Develop a framework for using customer and repairs data to understand and improve service delivery		Mar				
	Embed a process and culture of 'listening and learning' from complaints, including a commitments tracker and evidenced implementation of actions arising from complaints.			Apr			
Contractor performance	Agree and implement supply chain delivery options, including responsive repairs delivery model.			Apr			
	Develop and roll out of contract management framework.		Mar				
	Review all current compliance contracts to provide assurance to meet existing and new regulations. Reprocure gas servicing and maintenance contract.		Mar				



Wandle Asset Management Strategy

2022 - 2027

