



Asset management strategy 2023-28

Name	Reason for change	Date
Liz Williams	Original author	May 2023

Approval process for current version

Presented to	Date	Outcome
Poplar Board	27 June 2023	Approved

Executive summary

Over the next five years we will make every Poplar HARCA home safer, greener and smarter.

Safer and Greener, Smarter (SaGS) is Poplar HARCA's asset management strategy for 2023-28. It aims to mitigate long term asset liabilities in the most cost and risk effective way while safeguarding social homes and putting residents at the centre of our services. We have a plan to reinvest in the 70% of functional stock (SaGS Stream C) while addressing the underlying dysfunction in 30% of stock through regeneration (SaGS Stream A & B).

Safer and Greener, Smarter Strategy			
Stream A	Stream B	Stream C	Stream D
Existing business plan commitments	Proposed regeneration	Reinvestment in existing homes	New opportunities & growth

We believe that every Poplar HARCA home should be safe, healthy, energy efficient and affordable.

We are committed to providing repair and maintenance services that are shaped by residents, proactive, easy to access, data driven and value for money.

We will achieve this through four delivery methods:

Regeneration

Stock
reinvestment

Safety &
compliance

Responsive
repairs

With four overarching principles:

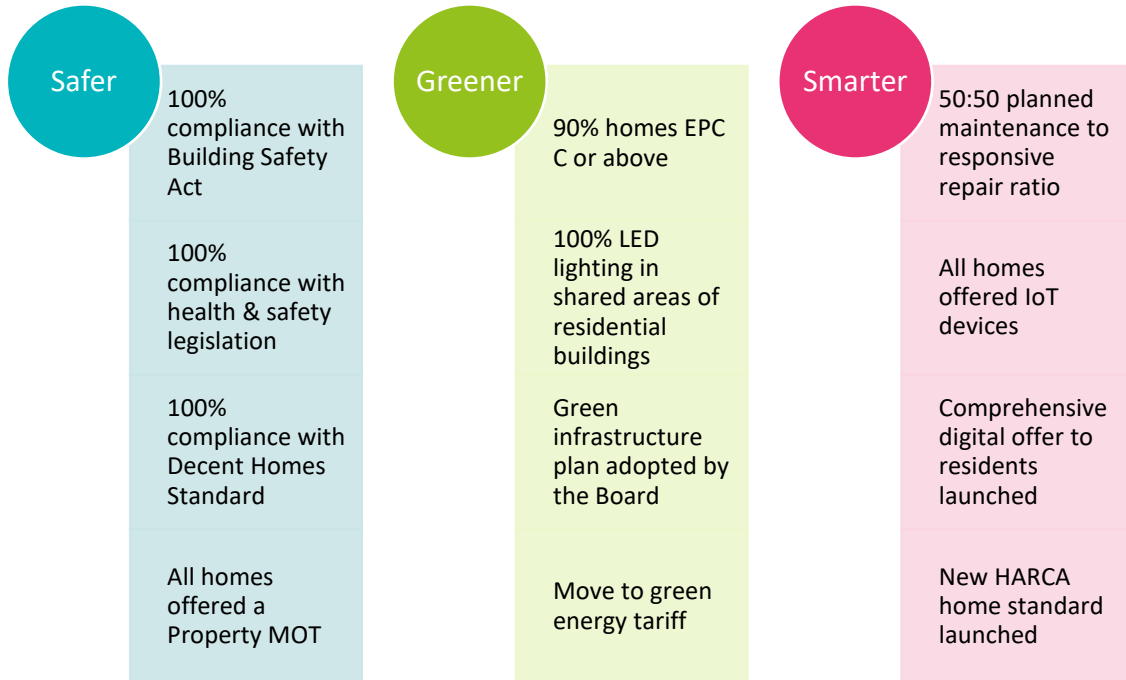
Resident voice

Data excellence

Strong procurement

Skilled staff

Success is measured through progress of regeneration schemes and:



This strategy supports Poplar HARCA's Corporate Strategic Plan "Creating Opportunities Together" and is underpinned by the Board's Achieving the Vision (AtV) process, Working Papers and risk map.

Service satisfaction	Successful places	Committed work force	Strong foundations
<ul style="list-style-type: none">• Services and delivery models shaped by residents• Resident feedback valued and acted upon• Online service provision	<ul style="list-style-type: none">• Homes that exceed requirements• New homes to replace dysfunctional stock• Carbon reduction	<ul style="list-style-type: none">• Qualified, skilled Technical staff• Competence evidenced• Staff structures that support delivery models• Succession plans	<ul style="list-style-type: none">• Technology supports strategic aims• Value for money evidenced in all activities• Robust procurement model

1. Introduction

- 1.1. This strategy sets out how Poplar HARCA will manage its assets from 2023 to 2028.
- 1.2. We are a Community Benefit Society and registered provider of social housing. Formed in 1998 by large scale voluntary stock transfer from the London Borough of Tower Hamlets, we own and manage over 9,000 homes, the majority of which are located in over 400 residential blocks within four square miles of East London.
- 1.3. Over the next five years we will make every Poplar HARCA home safer, greener and smarter.

2. Strategic context

- 2.1. This strategy supports Poplar HARCA's Corporate Strategic Plan and is underpinned by the Board's Achieving the Vision (AtV) process, Working Papers and risk map.
- 2.2. The area in which we operate is home to the capital's fastest growing population. Demand for affordable housing significantly outstrips supply and overcrowding is also a major issue. Unlike most housing associations, Poplar HARCA's stock is not geographically spread, with most homes within walking distance of Head Office. The majority of our stock was built in the 1960s and 1970s and comprises medium density, four and five storey flatted blocks.
- 2.3. Prior to the transfer programme the area was largely mono –tenure, dominated by large council estates with significant obsolete design, high levels of disrepair and very poor environmental quality. The area suffered considerable deprivation and, at the point of transfer, the stock was highly dysfunctional.
- 2.4. In response to this Poplar HARCA completed a £350m refurbishment programme and redeveloped 20% of the existing housing stock, ensuring that all homes exceeded the Decent Homes Standard. The physical transformation of our homes has been complemented by a wide range of services such as community regeneration and anti-social behaviour (ASB) prevention.
- 2.5. Despite our exemplary approach to refurbishment and regeneration, further investment is now required to ensure that homes continue to meet requirements. This is especially true of pre-Housing Choice stock which was refurbished between 1998 and 2005. The worst estates (in investment terms) were prioritised which led to varying refurbishment expenditure between different estates. Refurbishment investment in post-Housing Choice stock (transfers after 2005) was higher with an enhanced specification which included high quality environmental works.
- 2.6. In recent years, we have been implementing a strategy to replace obsolete stock and introduce place making infrastructure. The reshaping strategy takes an evidence based approach and seeks to provide solutions to a myriad of issues, not just in terms of the condition of our buildings but also wider community concerns.
- 2.7. Overall, 70% of our homes meet the needs of the community, while 30% requires a longer term, strategic approach to maximise their social and economic value. The main driver of this strategy is the balance between stock reinvestment via our planned maintenance programme and the active management of dysfunctional stock through disposal and regeneration.
- 2.8. Global events, political and legislative change and market forces present several challenges on the asset management landscape. We are primed to create new opportunities for our residents as we navigate these uncertain times.

3. Strategic objectives

3.1. We are committed to ensuring that:

Every Poplar HARCA home is	Our repair and maintenance services are
<ul style="list-style-type: none">• Safe• Healthy• Energy efficient• Affordable	<ul style="list-style-type: none">• Shaped by residents• Proactive• Easy to access• Data driven• Value for money

3.2. Over the next five years we will develop and deliver plans to mitigate long term asset liabilities in the most cost and risk effective way while safeguarding social homes and putting residents at the centre of our services.

3.3. **Safer**

Resident safety is our top priority. We will provide high quality homes that exceed RSH requirements and that are compliant with current and future health and safety legislation. We will be innovators for effective mould management.

Plans will focus on maintaining 100% compliance with statutory and regulatory requirements for properties, tackling mould, resident engagement with building safety and the dynamic programming of works to achieve efficiency.

By 2028 we will:

- achieve 100% compliance with Building Safety Act and secondary legislation
- maintain 100% compliance with health & safety requirements
- maintain 100% Decent Homes compliance
- offer a Property MOT visit to all tenants

3.4. **Greener**

We are committed to making sure our homes are affordable by increasing energy efficiency, tackling fuel poverty and investing in renewable energy. We will maximise grant funding opportunities where available.

Plans will focus on achieving net zero as a business, EPC C compliance, renewable energy, waste management, transport, and engagement with staff and residents.

By 2028 we will:

- achieve EPC C or above in 90% of rented homes
- develop a clear plan to bring remaining homes up to EPC C
- upgrade to LED lighting in the shared spaces of all residential buildings
- present a comprehensive green infrastructure plan to the Board for approval
- move to a green energy tariff

3.5. Smarter

We will maximise value through prudent financial decisions and excellence in data management. We will invest in technology that supports our strategic aims and improves resident access to services.

Plans will focus on developing our asset data strategy, technology, online service provision, procurement, dynamic scheduling of works, and the development of a revised resident offer and standards.

By 2028 we will:

- achieve a planned maintenance to responsive ratio of 50:50
- offer IoT devices to 100% of homes
- launch a comprehensive digital offer to residents for all asset management services
- develop and launch a new HARCA home standard

4. Delivery

- 4.1. As a place- based, data-focussed organisation we realise the benefits of our geography through a community centred approach to services, investment processes and innovation. This approach is anchored in knowledge of our stock; long-term partnering relationships; local supply chains; and in-house technical expertise

4.2. Strategic workstreams

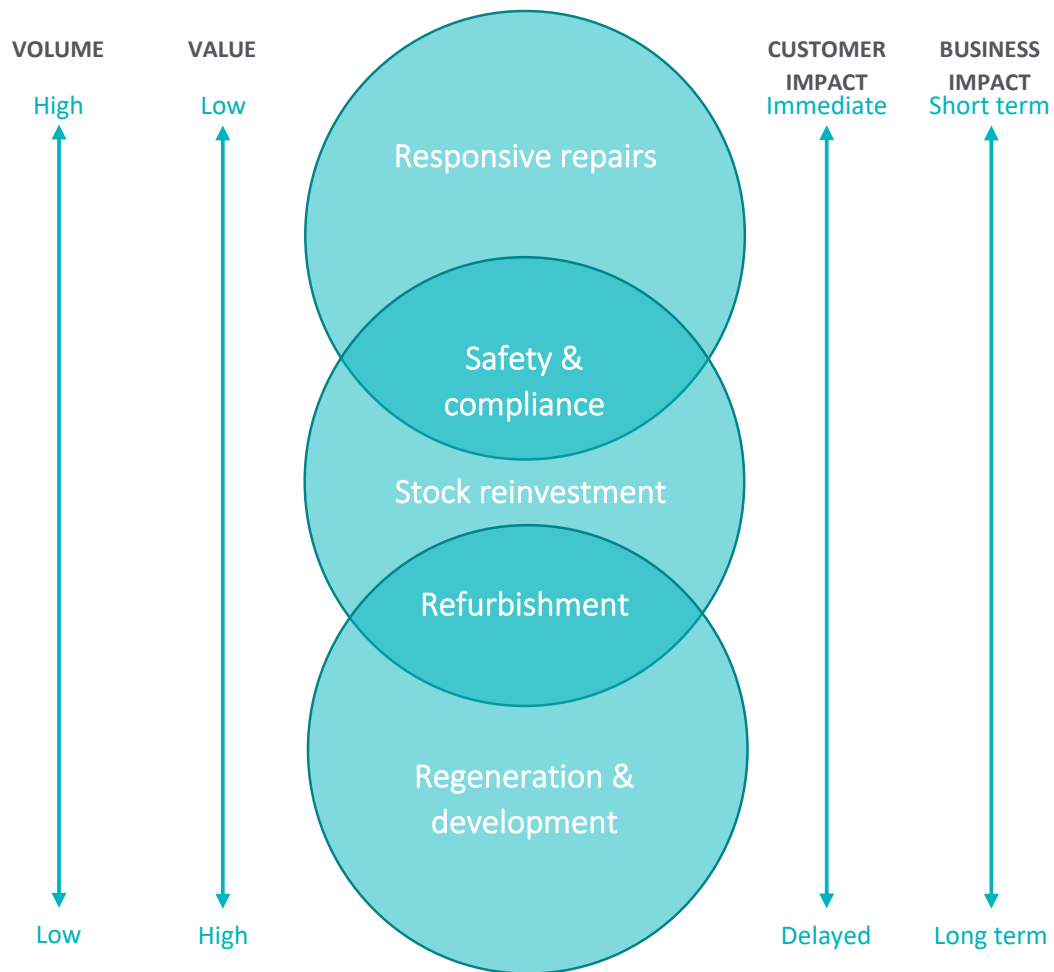
There is a split between the 70% of our housing stock that is fundamentally fit for purpose albeit with reinvestment needs; and the 30% of our stock that requires significant intervention. It is this 30% of homes that we aim to replace with new, lower maintenance homes. The strategic pathway taken for each property is determined by condition, risk, community need and future maintenance cost.

Stream A	Existing business plan commitments Committed schemes: Crisp Street, Stroudley Walk, Leven Road, Balfron Tower
Stream B	Proposed regeneration schemes Uncommitted schemes: Teviot, Aberfeldy West
Stream C	Stock reinvestment Investment in the 70% of homes that are fundamentally fit for purpose including potential to extend or redesign specific buildings
Stream D	New opportunities and growth Stock gained through merger, purchase or management contracts

4.3. Investment processes

This strategy will be delivered through four principal methods: regeneration, stock reinvestment, safety and compliance, and responsive repairs.

The balance of speed, cost and impact between these methods is considered carefully on a case by case basis, being careful to ensure that need, expectation and risk is clearly addressed.



4.4. Resident voice

Poplar HARCA has a long and distinguished history of resident engagement and consultation, putting the resident at the centre of service planning and delivery. Decision making is informed by resident surveys, lessons learnt from complaints, engagement with resident groups and individuals and community panel feedback. We proactively reach out to difficult to reach residents including the elderly and those who haven't reported repairs.

4.5. Procurement

Repair and maintenance works are delivered through a portfolio of measured term contracts, with multiple contracts in place for key trades. Preference is given to small and medium sized, local, specialist companies. Wherever possible, long-term partnering is encouraged to foster contractor commitment to our community and support long-term local knowledge and expertise. Risk is spread across several contracts, with the ability to mobilise substitutions quickly in the event of contractor failure or poor performance.

4.6. Staff

Local, specialist knowledge and experience is one of the cornerstones of our strategy, shaping the delivery of works and services. Staff in Poplar HARCA's asset management teams are qualified, highly experienced specialists in their individual fields. A framework for staff

development, competence and succession is in place and regularly reviewed. Flexible, multi-team, multi-disciplinary working groups steer and support key strategic aims.

4.7. **Data**

An accurate and comprehensive suite of property data underpins all strategic decision making.

Intelligence is captured through a wide range of activities including but not limited to stock condition surveys, Property MOTs, safety programmes, Energy Performance Certificates, technology and exception reporting via residents, staff and contractors.

Repair and maintenance orders are recorded on and managed through Poplar HARCA's Housing Management System. Microsoft Power BI – a data analysis tool - is used to produce dashboards and reports from the core data. Digital asset registers record component age and other key information. A mobile app allows staff to record inspections and concerns on the go.

An Asset Evaluation Matrix (AEM) rates buildings according to a series of financial, legislative and operational risks. This prioritisation tool supports other data to provide a base for evidence based decision making.

Internet of Things (IoT) devices are rolled out to tenants with our smoke detection upgrade programme. Environmental sensors (temperature, humidity and CO2) are offered to residents. All new smoke, heat and CO detectors are smart, allowing expiry dates to be tracked remotely. Insights from detectors are available to residents through a mobile app.

Data quality and completeness is under regular review with plans in place to identify and address data gaps.

5. **Performance monitoring & reporting**

- 5.1. Key performance indicators are in place to monitor progress against objectives.
- 5.2. Poplar HARCA's Asset Management Strategy is reviewed by the Board annually.
- 5.3. The strategy is relaunched every five years following an independent stock condition survey.