STRATEGIC ASSET MANAGEMENT:

Asset Performance Evaluation

Why it matters

'Social landlords' ability to deliver good services for customers and provide a solid platform for improvement depends on their ability to make the most of their property assets. ...Good strategic asset management is core business for governing bodies of Registered Social Landlords (RSLs) and council committees responsible for housing. It should also be developed alongside and compliment the business planning process.'

Extract from *Strategic Asset Management*, Aug. 2012, Scottish Housing Regulator

How might DCL help?

By working in a way that best suits your culture, we can ensure that you are able to measure how well your assets are performing based on the best available information.

We will leave you with the ability to manage the performance of your assets with confidence and ensure that you have the baseline information to prepare, deliver and monitor your asset management strategy.

Examples of measuring asset performance and the evaluation process can be found on pages 2 and 3.

Strategic Asset Management—What it is and the actions needed to deliver it

Asset management requires the following actions for it to be delivered effectively:

- Access to good quality data measured against an agreed scale;

- A baseline assessment from which action plans can be developed and progress monitored over time; and

- The development of a better understanding across the whole association of what constitutes "good practice" in asset management.

Strategic

Portfolio Management

Asset Management

Property Management

Operational
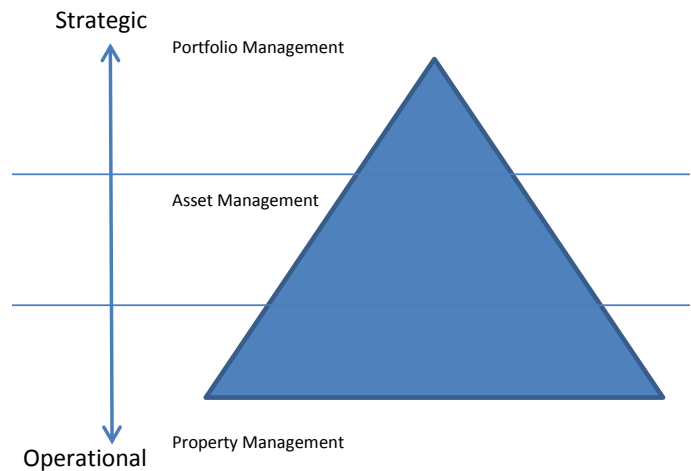
The importance of "measurement"

This is emphasised in the following quotation:

'Assets Performance & Health Monitoring is necessary for good Asset Management. A robust measurement framework includes measures that relate to the performance and health of the physical assets and asset systems.'

p62, *An Anatomy of Asset Management*, Institute of Asset Management

We can help with any of the stages or work with you from start to finish.

If you would like us to discuss your asset management needs and what we can bring to your team then please get in touch with:

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DCL Model Sample Outputs & Graphs

The DCL Model takes your inputs and creates tables of your stock (and its characteristics) with calculated performance measurements. Below are two excerpts from such tables:
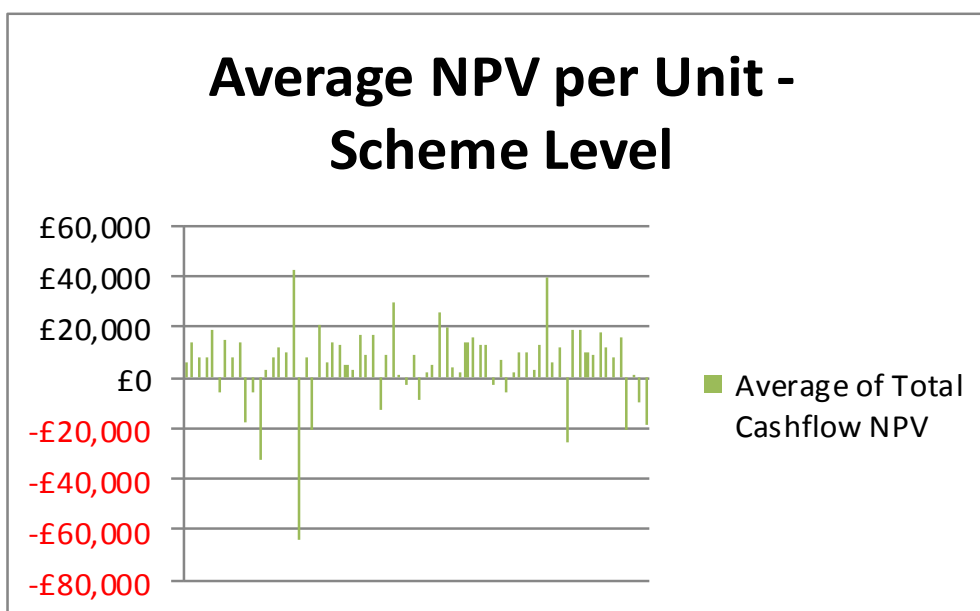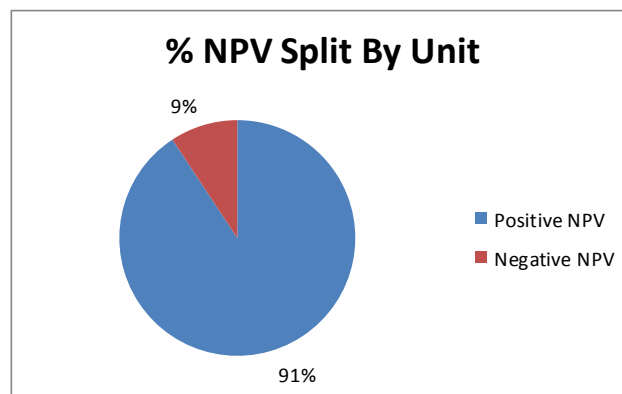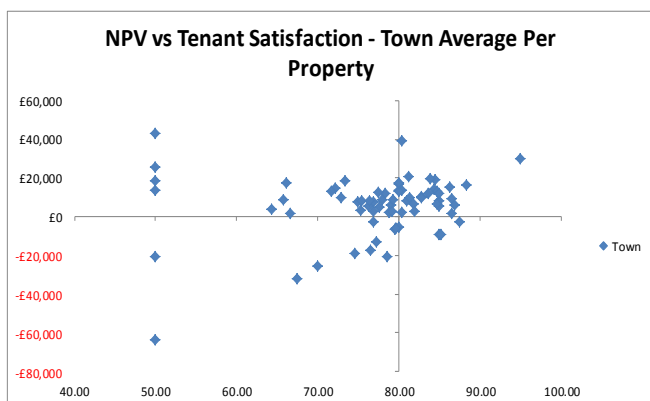
Reference Number	UPRN	Address	Town	Post Code
1	JOHNS001	1 JOHN ST	TOWN A	ABC 123
2	JOHNS002	2 JOHN ST	TOWN A	ABC 123
3	JOHNS003	3 JOHN ST	TOWN A	ABC 123
4	JOHNS004	4 JOHN ST	TOWN A	ABC 123
5	UPPERS001	1 UPPER ST	TOWN A	DEF 456
6	UPPERS002	2 UPPER ST	TOWN A	DEF 456
7	MAINS001	1 MAIN ST	TOWN B	GHI 789
8	MAINS002	2 MAIN ST	TOWN B	GHI 789
9	MAINS003	3 MAIN ST	TOWN B	GHI 789

Figure 1: Extract of property characteristics list

Non-Financial Scores

Stock Turnover	SAP	Housing MGMT	Neighbourhood	Home Satisfaction	Deprivation	Total
3	1	0	1	1	2	8
3	1	0	1	1	2	8
3	6	0	1	1	2	13
3	1	0	1	1	2	8
3	7	0	1	1	2	14
3	7	0	1	1	2	14
2	6	0	3	3	5	19
2	6	0	3	3	5	19
2	6	0	3	3	5	19

Figure 2: Extract of Non-Financial Scores from same list

These tables can then be copied and used to create meaningful graphs representing your stock's performance data.

Example of the Asset Performance Evaluation Process

DCL ◄- - - - - - - -► **Housing Association**

Assess HA current Asset Management approach

HA provides access to source data

Agree Performance KPI's and primary asset performance comparison grouping (s)

Collate data and consider at individual property level and by primary asset grouping (s)

Are there any gaps in the data?

No / **Yes**

Agree process (es) to close data gaps

Procure data where required

Example data gaps:

>Customer & Staff Surveys

>Stock Condition & Energy Survey

Output 1: A compiled Asset Database containing the agreed KPIs

(used to compare and measure financial and non-financial performance)

Example tools:

>Asset Management Model

>GIS software

Baseline Performance comparing the performance of agreed stock groups within the portfolio

Output 2: Asset Performance Reporting

(tables, graphs, dynamic mapping; showing strong and weak performers)

Use as evidence to help make better investment decisions