

PROPERTY ASSETS: RENEWALS POLICY

Policy number	AM004	Version	v1.0
Drafted by	Meg George	Approved by MD on	24 February 2016
Responsible person	Asset Manager	Scheduled review date	24 February 2018

1. PURPOSE

- 1.1. The purpose of this policy is to provide guidance for property asset renewal decisions and processes.
- 1.2. The purpose of this policy is to ensure renewal activities are carried out according to legislative standards and CEHL asset management practice.

2. POLICY STATEMENT AND PRINCIPLES

2.1. STATEMENT

- a. Renewal works performed on CEHL property assets will protect the value of the assets, maximise the useful life of properties, and provide a consistent service within available resources.
- b. Priority will be given to works that improve the safety and security of the property.

2.2. PRINCIPLES

- a. Renewal decisions will be informed by asset inspections, including condition assessment and lifecycle forecasts, and will be evaluated under the 'Property Asset Decision Making Model'.
- b. Budget and resource allocation will be systematically prioritised based on risk mitigation and cost benefit analysis with the aim of achieving CEHL's strategic goals.
- c. An annual asset renewal plan is to be approved by the CEHL Board at each annual budget cycle and will be reviewed for its ability to ensure the asset portfolio meets the need for appropriate housing.
- d. Where renewal works arise outside of the approved plan, prioritisation of works will be informed by health and safety, asset intent, and the 'Property Asset Decision Making Model'.
- e. Renewal works will be undertaken with a long-term view of asset use and maintenance and will aim to reduce operating costs wherever possible.
- f. All works will be carried out by qualified, licensed contractors with minimal disruption to occupants.
- g. Renewal activities will be monitored and recorded appropriately to inform performance monitoring, risk management, financial management, and continuous improvement.
- h. Renewal works will be performed in accordance with defined CEHL standards, supporting asset suitability and performance.

- i. Efficiencies are to be sought so long as they are not to the detriment of the quality of works and services, and opportunities to maximise works carried out at the time of vacancy will be considered in line with renewal plans.
- j. Requested modifications will be assessed in consideration of asset intent, long-term asset performance and use, and potential ongoing operational costs.

3. SCOPE

- 3.1. This policy applies to all renewal activities carried out on property assets owned or managed by CEHL.

4. DEFINITIONS

- 4.1. '*Property assets*' in relation to CEHL typical operations include: land, dwellings, outbuildings, offices and fixtures and, in some instances, chattels (such as household appliances). Other types of property assets not mentioned, such as commercial properties, may form part of the property portfolio at a future date and are covered by this policy unless otherwise determined.
- 4.2. '*Property Assets Decision Making Model*' is the endorsed approach to making decisions about property assets.

5. LEGAL REQUIREMENTS

- 5.1. This policy incorporates guidance provided by:
 - a. Residential Tenancies Act (1997) Victoria
 - b. Housing Act (1983) (amended 2005)
 - c. OH&S Act 2004 (VIC)

6. BOARD AUTHORISATION

Approved by Karren Walker Date of approval 24 / 02 / 2016
Position CEHL Chair