

PROPERTY ASSETS: RENEWALS POLICY

Policy number	AM004	Version	2.2
Drafted by	Manager – Asset Management	Reviewed on	30 June 2020
Responsible person	Manager – Asset Management	Scheduled review date	30 June 2025

1. PURPOSE

The purpose of this policy is to:

- a. provide guidance for property asset renewal decisions and processes.
- b. ensure renewal activities are carried out according to legislative standards and CEHL asset management practice.

2. POLICY CONTEXT

CEHL owns and maintains a diverse portfolio of properties and is committed to the Program Principle of Quality of Housing to ensure that properties managed by our Program offer safe, secure housing that is well-maintained to a consistent quality.

CEHL aspires to manage its property assets in line with best practice to ensure appropriate properties are available to co-ops now and into the future. In order to meet this aspiration and our obligations as a Registered Housing Agency, CEHL has adopted alignment with the international management system standard for Asset Management – ISO 55001.

Co-ops with maintenance responsibilities are encouraged to make use of the [CERC Maintenance Guide](#) to assist with practical application of relevant Property Assets Policies .

3. POLICY STATEMENT AND PRINCIPLES

3.1. STATEMENT

- c. 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 and quality within available resources.
- d. Priority will be given to works that improve the safety and security of the property.

3.2. PRINCIPLES

- a. Renewal decisions will be informed by Future Directions Planning (FDP) and 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 the Program's and 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, utilises CEHL funds in the most cost efficient and appropriate way, and continues to protect the value of the assets.
- d. Where renewal works arise outside of the approved plan, prioritisation of works will be informed by health and safety, asset intent, co-op planning 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 and improve efficiency and climate appropriateness wherever possible.
- f. All works will be carried out by appropriately 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 scopes of works and standards, supporting asset suitability and performance.
- i. Efficiencies of conducting work are to be sought so long as they are not to the detriment of the quality of works and services. Opportunities to maximise works carried out at the time of vacancy will be considered in line with renewal plans.
- j. Requested modifications from renters or co-ops will be assessed in accordance with legislative requirements and in consideration of asset intent, long-term asset performance and use, and potential ongoing operational costs.

4. SCOPE

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

5. DEFINITIONS

'*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.

'*Property Assets Decision Making Model*' is the endorsed approach to making decisions about property assets.

6. LEGAL AND OTHER REQUIREMENTS

This policy incorporates guidance provided by:

- *Residential Tenancies Act 1997 (Vic) (Amended 2021)*
- *Housing Act 1983 (Vic) (Amended 2005)*

- *Occupational Health and Safety Act (2004) (Vic)*

7. PROGRAM REQUIREMENTS

7.1. This policy is consistent with:

- a. International Co-operative Principles:
 - Members Economic Participation
 - Autonomy and Independence
 - Education, Training and Information
 - Cooperation Among Cooperatives
 - Concern for Community
- b. Program Principles:
 - Affordability and Financial Security
 - Quality of Housing
 - Security
 - Working Together

8. RELATED PROGRAM POLICIES

- a. Property Assets Policy
- b. Property Assets Maintenance Policy
- c. Property Assets Disposals Policy
- d. Property Assets Member Home Purchase Policy
- e. Acquisition and Development Policy
- f. Appropriate Alternative Accommodation Policy
- g. [CERC Maintenance Guide](#)

9. BOARD AUTHORISATION

Signature CEHL Board Date of approval 30 / 06 / 2020

Position CEHL Chair