ASSET MANAGEMENT AND ENERGY EFFICIENCY STRATEGY

2026/27 – 2030/31

1 EXECUTIVE SUMMARY

Ocean's Asset Management and Energy Efficiency Strategy sets out our vision for stock investment over a 5-year period up to March 2031. New regulatory Consumer Standards and legislation, tenant expectations and our Service Improvement Project have all informed this strategy.

Our headline objectives are to:

A. Understanding Property Condition

1. Ensure accurate property and estate condition data to inform decision making and fit with residents' needs with rolling survey data

B. Optimising Our Assets

1. Take a pro-active and targeted approach to 2030 and reduce energy efficiency investment

C. Providing Safe and Decent Homes and Neighbourhoods

1. Invest in the stock to ensure it is hazard free and meets the Decent Homes Standard
2. Prioritise tenant safety through on-going investment and ensure full property health and safety and building safety compliance all year, every year
3. Create more attractive neighbourhoods with greater kerb appeal through a new long-term investment plan for communal areas and estates

D. Investing in Warmer Homes

1. Invest in the stock to ensure it is hazard free and meets the Decent Homes Standard with a drive to accelerate completion of the majority of the EPC 'C' energy programme by March 2028
2. Secure maximum levels of external grant funding to reduce Ocean's investment requirements
3. Future proofing new build homes built to a minimum of EPC 'B'

E. Modernising our Customer First Repair Services

1. Work with tenants to design and deliver a more efficient 'customer-first' day-to-day repairs service maximising digital technology
2. Reduce void relet times to less than 15 days by March 2027 and less than 12 days by March 2030

Over the Strategy period, a total of £98m will be targeted into stock investment. £46m will be spent on keeping homes safe, hazard free and in a good state of repair through revenue expenditure on repairs, voids, property compliance and other cyclical maintenance.

Programmes	Number
Day to day repairs	71,000
Void repairs	1,000
Heating servicing	17,887
External decoration	4,777
Electrical Safety testing	4,260

The balancing £52m will be invested in improving homes through our planned maintenance programmes for properties and our estates, and our 2030 energy efficiency programme. Tenants will benefit from our decent home programmes comprising:

Improvement measure	Number of Upgrades
Heating systems	764
Kitchens	1579
Bathrooms	220
Roofs	296
Windows	1,275

Our energy efficiency programme will target £24m at making 1211 homes warmer and more comfortable for tenants to live in. Energy efficiency measures will include a mix of wall insulation, new roofing and loft insulation, windows, doors, heating, hot water systems along with some renewable technologies where appropriate including solar PV panels. The table below shows the trajectory of improvement towards the Energy Performance Certificate (EPC) C level, with an accelerated programme ensuring that 94% of homes reach EPC C by March 2028.

Year	% of stock at EPC C or above
2022-23	60.96%
2023-24	63.78%
2024-25	66.75%
2025-26	76.13%
2026-27	85.21%
2027-28	94.3%
2028-29	97.33%
2029-30	100.00%

Our Service Improvement Project review focused on six key areas relating to asset management being:

- Neighbourhoods and estate kerb appeal
- Asset optimisation
- Delivery of the energy efficiency programme
- Procurement
- A customer first responsive repairs service
- An efficient voids service and standards

Key areas of improvement include:

- A survey of all open and communal spaces across every estate to ensure compliance with the new Consumer Standards and to inform a new Neighbourhood Investment Plan

- Asset optimisation through a mix of reactive and targeted sales
- Delivery of Value for Money procurement savings from planned maintenance components, the energy efficiency programme and other areas
- Development and delivery of an accelerated two-year energy efficiency programme with the exception of the highest cost 250 properties, some of which will be targeted for sale
- Introduction of a digitalised day to day repair service giving tenants greater control, real time communication and business efficiencies
- An enhanced void standard with non-slip washable flooring for kitchens and bathrooms and flooring vouchers
- Reduced void turnaround times to 12 days (key-to-key) by March 2030

2 Supporting Our Corporate Objectives

The Asset Management and Energy Efficiency Strategy is a key strand to delivering our corporate objectives as set out in the Ocean Housing Group Corporate Strategy 2024-2030.

The Ocean Group’s Corporate Strategy overarching objectives are:

3 STRATEGIC DRIVERS AND WIDER ENVIRONMENT

3.1 Regulation

As of April 1, 2024, the Regulator of Social Housing (RSH) in England implemented a new, strengthened consumer regulation regime, which includes four mandatory consumer standards and an accompanying Code of Practice. This framework was established under the Social Housing (Regulation) Act 2023 to improve the quality of housing and services for social housing tenants.

In relation to asset management, the proposed standards will:

- protect tenants by strengthening the safety requirements that all social landlords need to meet
- require landlords to know more about the condition of their tenants' homes and the individual needs of the people living in them
- landlords will need to use this evidence to provide safe and decent homes with good-quality landlord services
- make sure landlords listen to tenants' complaints and respond quickly when they need to put things right
- Increase requirements on the standard and safety of communal areas and open spaces including shared areas

A self-assessment against the draft standards was approved by Ocean Housing Board in November 2023, evidencing areas of existing compliance, and risk rating aspects of the standards which will require action to be taken. An action plan is in progress to ensure full compliance over the next two years.

3.2 Modernisation of the Decent Homes Standard

A revised Decent Homes Standard is currently under development. Following early government consultation, it is anticipated that changes will include the requirement to meet EPC C standards by 2030, new building and fire safety standards, a simplified Housing Health and Safety Rating System (HHSRS), a new definition of non-decent damp and mould standards. The proposed Decent Homes Standard also outlines changes to disrepair criteria with less emphasis on the age of components and more on its condition and risk to health and safety. When details are made available, we will need to assess the logistical and financial implications for our decent homes programmes. New components are likely to be added to the current list of building components that are included in the standard, to ensure it fully reflects reasonable expectations of a decent home as set out below.

- **Heating technology**: add modern heating technologies e.g. air source heat pumps, ground source heat pumps
- **Fire safety:** add internal doors, cavity barriers, fire alarm systems, sprinkler systems
- **Damp and causes of damp**: add damp proof course, ventilation installations, rainwater goods (all products installed on the exterior of a building to protect it from the rain)
- **Health of the resident**: add lifts, balustrades, handrails, stair-treads, window restrictors
- **Public realm:** add boundary walls, curtilage, pathways and steps, signage, external lighting, bin stores

Where possible this strategy takes account of these changes.

3.3 Building and Fire Safety

The Building Safety Act 2022 came into force on 1 October 2023. The Building Safety Act identifies new duty holders known as ‘accountable persons’ (APs), for residential high-rise buildings (HRB). This can be the organisation or person who owns or has responsibility for the building. The definition of a HRB is a structure that has at least 7 floors or is at least 18 metres in height and at least 2 residential units.

Ocean owns and manages Park House flats which is 11 stories high. Ocean Housing Ltd. is the Accountable Person for Park House. The Building Safety Act names the Health and Safety Executive (HSE) as the new Building Safety Regulator. Park House was registered with the Building Safety Regulator in July 2023, with a further requirement to develop a Building Safety Case and report, including a formal tenant engagement strategy covering building safety and building information. A full structural survey is underway to determine the performance of the building and ensure the safety of the residents (see High Risk Buildings – Park House – page 25).

3.4 Damp, Mould and Condensation

In addition to the revised Decent Homes Standard and Government and Housing Ombudsman guidance, Awaab’s Law requires social landlords to investigate and fix reported hazards in their homes within a specified timeframe or to rehouse tenants where a home cannot be made safe. There will be consequences for social landlords if they fail to comply with the new rules, which will not just be limited to damp and mould but will also cover other health hazards such as cold temperatures and excessive noise. Timescales to act upon complaints received from residents could be 14 days to investigate and a further seven days to carry out the necessary repairs. This could further increase the number of legal claims being brought by social housing tenants against their landlords for damages (for alleged breach of the landlord's repairing obligations). Ocean will regularly review its Damp, Mould and Condensation Policy to ensure compliance, along with the possibility of increased decanting requirements as laid out in legislation.

3.5 Climate and Sustainability

The UK has set in law a target to bring all greenhouse gas emissions to net zero by 2050. The Social Housing White Paper also states that homes in the social housing sector must achieve EPC ‘C’ by 2030. This is to shortly be embedded in the revised Decent Homes Standard. To achieve this, housing associations and local authorities will need to take a fabric first approach to insulate many of their homes and replace fossil fuel heating systems with 'clean heat' technologies such as heat pumps. At Ocean we recognise that decarbonising homes is not only an essential part of tackling the climate emergency, but it also helps combat fuel poverty, creates jobs, and creates warmer homes that should be more affordable to heat.

Following on from the success of the Social Housing Decarbonisation Fund, Wave 1 and Wave 2, the government has published their Warm Homes Plan in January 2026. This emphasises the impact climate change is currently having on the United Kingdom. With all ten of the warmest years experienced occurring since 2001 and the summer of 2025 being the hottest ever recorded. The plan highlights that although progress has been made in some areas, where greenhouse gases have been reduced, the buildings sector has not kept pace with other sectors such as electricity generation.

The Government target of achieving ‘Net Zero Carbon’ by 2050, means carbon emissions from homes, transport, farming and industry will have to be avoided completely or, in the most difficult examples, offset by planting trees or removing CO_2 from the atmosphere in another way, similar to

Cornwall Council's objectives within its 'Climate Change Plan' 2019, which followed the Governments declaration of a 'Climate Emergency' in May 2019.

3.6 Environmental, Social and Governance Reporting

A new working group was created in 2024 to produce Ocean's first Environmental, Social and Governance (ESG) report. Ocean was already delivering strong work across ESG, but the report aimed to bring these activities together, enabling the organisation to consistently demonstrate performance in these areas. The first report was produced for review by Group Board in March 2024 and published in October 2024. Our latest ESG report was published in October 2025 continuing to build on this foundation.

Cornwall is well known to be an area of high deprivation with fuel poverty prevalent amongst tenants. Cornwall Council issued data in 2025 relating to 2023 that showed fuel poverty affects 11.4% of households within England with the South West region as a whole at 10.2%.This is a welcome decrease from the previous figures but shows there is still work to do In Cornwall, fuel poverty affects 12.2% of all households, clearly above the national average. Cornwall Council has set an ambitious target to become carbon neutral by 2030, a central tenet of which involves reducing fuel poverty and improving energy efficiency in homes.

3.7 Tenant Voice and Expectations

The Regulator for Social Housing and the Housing Ombudsman Service both have strengthened powers to tackle failing landlord services and unsafe housing conditions. The new regulatory consumer standards inspection regime, the issuing of Housing Ombudsman determinations and fines place the tenant voice and accountability at the centre of Government reforms. Standardised Tenant Satisfaction Measures (TSMs) will enable the Regulator, Boards and tenants to compare and scrutinise the performance of individual landlords. Eleven of the twenty-two measures relate to property and repair and maintenance services. Property condition, and damp and mould are responsible for the largest proportion of Ocean's formal complaints. Ocean reported its first full year of results in April 2025.

There is increasing awareness and acceptance that landlords not only need to understand property condition, but how this relates to the individual needs of the people living in them. Ocean currently holds six pieces of Equality, Diversity and Inclusion data for 38% (primary and secondary tenants) and 48% for primary tenants and additional data where required to establish vulnerability data: Tenant E and D Report with Survey Data - SQL Server 2022 Reporting Services. As part of the Service Improvement Project, we have identified plans to increase data collection and usage over the next few years. Ultimately, we plan to overlay tenant vulnerability data on property condition data to inform strategic and operational decision making.

3.8 Health and Housing

It is well established that housing quality can directly impact a person's health. Ocean recognises the value of working in partnership to tackle the negative impact of poor-quality housing on its tenants. Ocean has led on the adoption of a 'Memorandum of Understanding' with partners across Cornwall.

Well insulated and energy efficient homes can offer substantial health benefits to our tenants and support the reduction of respiratory illness and improve well-being. Ocean's expertise in providing extra care light housing schemes for older persons continues with our third scheme, completed in September 2024 at Polgrean Place, with 16 flats built to the Housing our Ageing Population Panel for Innovation (HAPPI) standards.

3.9 Better Social Housing Review

In a pro-active attempt to raise the standard of social housing, the National Housing Federation (NHF) and Chartered Institute of Housing (CIH) commissioned an independent review. The resulting Better Social Housing report contains seven recommendations including working in collaboration with housing associations to develop a core set of common indicators linking up data collected on property condition and residents living in those homes, so that the sector can use this information to better understand and address inequities in resident experience. Ocean will follow the work being undertaken and embed new established best practice where applicable. A further recommendation will seek to develop and apply new standards defining what an excellent maintenance and repairs process looks like. Ocean's Service Improvement Project will seek to address this area of improvement and take account of developing best practice.

3.10 Labour and Skills Market

Overall, the UK continues to experience the tightest labour market since the 1970s and real pay growth (wages adjusted for inflation), will continue to grow throughout 2026.

At the end of December 2025, staff turnover in Ocean Housing was 14.74% and the average time to fill vacancies was 57 days. Long-term vacancies continue to affect Property Services which has impacted our ability to meet service standards in some areas. However, recruitment of several key permanent and temporary managerial roles, trade staff and surveyors have strengthened the department and our ability to continue to improve service standards.

Ocean's Repair and Maintenance programmes will continue to increase in volume with a notable increase in the delivery of planned and energy efficiency upgrade works to continue investment in our stock. A lack of staff, difficulty recruiting and a shortage of external contractors would be a risk to delivery of these programmes. Regular pay benchmarking and our attractive benefits package is strengthening our employer brand.

3.11 Building Inflation

Inflationary wages and material costs continue to put some repair and maintenance budgets under pressure. Particular areas of high inflationary costs include general materials for responsive repairs and voids.

4 WORKING IN PARTNERSHIP

At Ocean, having tenants ‘at the heart of everything we do’ is central to our values. Ocean Board members, Executive Directors, and Senior Managers work closely with tenant representatives. Regular meetings are held with the Together With Ocean (TWO) panel, and Virtual Internet Panel (VIP) who have, over the years, been instrumental in driving investment priorities and service improvements.

We acknowledge there is more we can do to ensure the culture of Ocean Housing reflects our commitment to respect and listen to our tenants’ views. Our Service Improvement Project will ensure we improve the way in which we collect, store and use data and improve our repair and maintenance service.

Good communication is vital when providing repair and maintenance services. Tenant expectations of landlords have risen in line with other sectors who provide 24-hour service delivery via personalised digital systems and real time communication. Modernising service delivery will help to raise tenant satisfaction as well as delivering business efficiencies. Tenant information on how to use heating systems and minimise damp and condensation is important for tenants who want to take control, and responsibility for managing their property condition and bills.

Where projects are delivered by external contractors, we shall ensure that the works are monitored closely and completed to OHLs and tenants’ satisfaction.

Ocean Housing works in partnership with a range of local and regional organisations including:

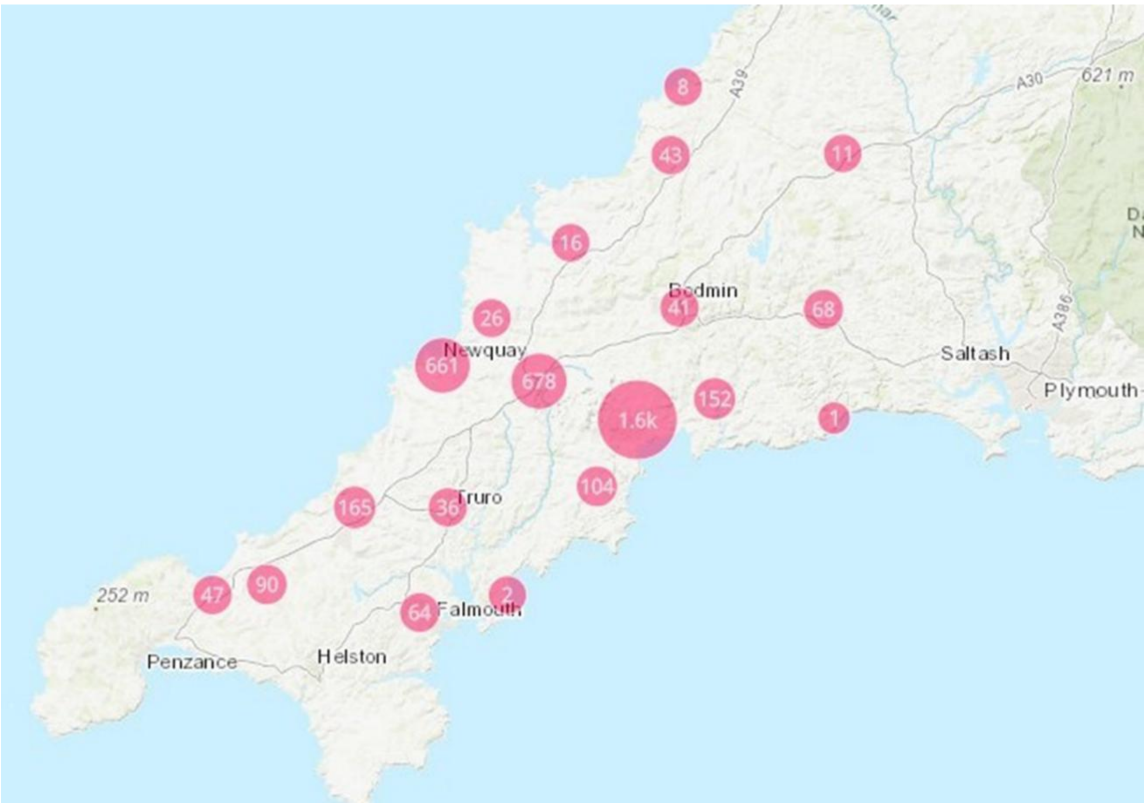
- Skills development – SSG, Pennington, Cornwall College and Truro and Penwith College
- Procurement - Advantage South West and South West Procurement Alliance
- Energy efficiency grant funding - West of England Combined Authority and Cornwall Council
- Specialist technical advice - John Grimes Partnership, Shawsafe, Ventro, Taylor Lewis
- External Contractors - Kovia, Sureserve, and Wheeler Roofing
- Local Councillors and Parish Councils – St Austell Town Council and Mevagissey Parish Council discussing energy efficiency plans and improvements to existing schemes

5 OCEAN HOUSING’S ASSET PORTFOLIO

Ocean Housing has a mixed portfolio of mainly general needs homes comprising stock transfer properties from Restormel Council and ‘new build’ homes developed between 2005 and 2026. Approximately 15% of our properties are designated as older persons housing, of which 43 flats are built to the best practice Housing our Ageing Population Panel for Innovation (HAPPI) standards. In December 2022, Ocean sold a large Shared Ownership portfolio of 467 homes to a for-profit registered provider, ReSI Homes Ltd. Ocean has a 20-year property management agreement and a recurring block management contract for these homes. Ocean’s own shared ownership portfolio is set to grow rapidly over the next 12 to 18 months, with 29 projected for 2026/27 and 51 planned for 2027/28.

Property Analysis

The map and data table below shows the geographic spread and make up of Ocean owned and managed portfolio as at the end of January 2026:



Rented Homes by Bedroom

Bedrooms	Assets
One	1289
Two	1633
Three	1223
Four	83
Five	3

Rented Homes by Property Type

Property Type	Assets
Bedsit	68
Bungalow	505
House	2379
Low-rise Flat	1206
High-rise Flat	67
Maisonette	6

By Tenure

	Tenure	Assets
	General Needs (Social)	3570
	Sheltered Housing	647
	Supported*	14
Total		4231
Home Ownership	Shared Ownership	142
	Leasehold	190
Total		332
Owned by a third party with management by Ocean	ReSI Shared Ownership	466
	ReSI Leasehold	2
Total	Total owned and managed	

Ocean's supported accommodation is let on licence direct with the licensee and support is commissioned through a service level agreement direct with a third-party provider

Rented Stock Profile by Age

Period	Assets
Pre-1945	454
1945-1965	1156
1966-1985	1131
1986-2005	284
Post-2005	1206

Rented Stock EPC Ratings

RdSAP EPC Rating	Stock Percentage
EPC A	2%
EPC B	15%
EPC C	55%
EPC D	21%
EPC E	7%
EPC F	1%
EPC G	0%

Other Asset Types

Type	Assets
Garages	451
Shops and Community Halls	9
Offices	1
Car Park Spaces	145
Estates (Streets)	400
Play Areas	4
Unadopted Sewage Systems	17

6 ASSET MANAGEMENT AND ENERGY EFFICIENCY STRATEGIC OBJECTIVES

The following sections set out our approach in each area with specific targets over the strategy period as detailed in the Executive Summary.

A UNDERSTANDING PROPERTY CONDITION

Aim: Ensure accurate property condition and estate condition data to inform decision making and fit with residents' needs

Property Condition Data

The quality and integrity of asset data is of critical importance to our business, as highlighted by both the Regulator for Social Housing and Housing Ombudsman. Ocean Housing's financial security lies within its housing stock. Lenders and insurers require substantial assurance that our stock is well maintained so as not to negatively impact on its value. Ocean maintains a comprehensive property database for all assets, which is regularly refreshed with data from a range of different sources.

The main data sources for our properties are stock condition surveys, estate condition surveys and energy performance certificate surveys. In line with best practice, our current approach is a 5-year rolling external stock condition survey and energy performance survey. Once complete, we will then continue with 5-year rolling stock condition surveys and move to a 10-year EPC survey programme, which is the standard period for such surveys. We have recruited an in-house Stock Condition Surveyor with the aim to have better control over data quality and performance. We shall be arranging for phased emails/letters to be sent to tenants ahead of their surveys explaining the purpose of the visit.

Survey information is held in Ocean Housing's IT property database (Aareon QL) and document repository (Documotive). External verification of up to 20% of the new annual survey data is undertaken by an external company. This validation check verifies the survey data is both accurate and correctly recorded. In 2023, Ocean received external consultant assurance that our stock condition surveys were robust, accurate and well managed by qualified staff. An updated report is due early 2026.

Other subsidiary data sources include:

- New build component data uploaded to property database
- Planned maintenance component renewals – kitchens, bathrooms, roofing, windows etc.
- Voids and day to day data
- Energy efficiency programme investment – external wall insulation, new heating and hot water systems, solar panels etc
- Damp Mould and Condensation, asbestos and legionella surveys
- Specialist surveys such as reinforced aerated concrete surveys (RAAC) and structures.

In April 2024, Ocean embarked on a group wide data cleansing exercise as part of its new Data Strategy. We used a temporary Business Analyst to update missing component data and improve data quality. We will be recruiting for a permanent Business Analyst in 2026 to maintain and improve our data quality and integrity. For new build properties, specification standardisation, employer's requirements and property component information will be formalised and adopted as an automatic process as part of the ICT upgrade.

Assessing Energy Performance

From our 4,231 homes, Ocean Housing have 4,182 lodged EPCs, of which 4,000 are in date at less than 10 years old. Where the remaining 49 properties do not have lodged EPCs we have modelled scores which are calculated using Parity Projects' 'Carbon Reduction Options for Housing Managers' (CROHM) software. This software uses publicly available information and data about our homes and those in the surrounding area to more accurately predict the energy performance ratings and the most effective way to make improvements to the buildings. This not only helps us with homes where we do not have lodged EPC's, but it also supports us in identifying any issues with the ratings of homes that we do have lodged EPC's for.

Properties without a lodged EPC, and those which are out of date, are being targeted for new surveys as part of the stock condition programme to better inform our data.

EPC & CROHM Combined

CROHM software is also used to identify the required retrofit measures to achieve EPC (C) by 2030 and net zero by 2050. The data is collated from this software along with the refreshed EPCs and is then assessed via a bespoke decision-making model. This efficient modelling tool allows properties to be grouped by archetype, location, required investment and EPC outcomes. Properties are also displayed using the integrated Esri mapping software from ArcGIS. This modelling tool assists in formulating the targeted energy investment programmes.

Stock surveys and EPC surveys are regularly uploaded to the property database, which calculates decent homes standard compliance. Our database, as at the end of Q3 2025, showed 99.79% of properties met the Decent Homes Standard, with 0.21% (9 properties) failing due to component age and condition To ensure tenant safety in any tenant refusal cases, we periodically re-offer decent homes work or complete when a property becomes void, backed up by annual compliance visits.

Other Data Usages

Refreshed data is re-run annually in the 40-year R&M programme which feeds into the Business Plan and Regulatory Financial Forecast Return. From Q1 2026, data will be reviewed on a quarterly basis to refresh the 40-year plan. This will provide further understanding of component lifecycles to ensure that they continue to align with our business plan assumptions. This will provide strong assurance on our data and financial business planning. Additionally, we shall be utilising a Business Analyst to regularly review data for lifecycle alterations.

Ocean has also developed a stock financial appraisal model which includes Net Present Value (NPV) data and other information to allow us to grade all stock. We also utilise a CROHM energy model which is refreshed with EPC data monthly and checked against the government EPC portal to ensure accuracy. The model outputs are re-run quarterly. This model data is then used to develop our 2030 and 2050 energy efficiency programmes and support grant applications.

Communal Areas and Open Space Condition Data

Ocean own 405 estates, many of which were built over 60 years ago, which lack the landscape design and amenities demanded by newer customers. Whilst well maintained by our Property Services and Environmental Service Team, some estates look inherently 'tired'. Local community events routinely highlight tenant feedback priorities for increased parking, improved communal storage and drying facilities. Some open spaces within our estates, including grassed areas and pathways, are owned and managed by Cornwall Council or local parish councils. Tenant satisfaction feedback often highlights dissatisfaction with the varying maintenance standards in some areas outside of Ocean's control.

Ocean’s ambition is to enhance the appeal of our neighbourhoods through a planned investment approach. The creation of attractive communal spaces that offer better amenity will drive tenant satisfaction levels upwards and enhance the reputation of Ocean Housing as a provider of good quality homes and neighbourhoods. The Neighbourhood Services Team hold an Estates Improvement budget and through our Estate Condition Survey programme and regular cross team collaboration, we aim to identify areas and undertake improvements.

In 2023/24, a new Geographic Information Software (GIS) system was established allowing us to map all our assets including estate features. A 5-year external estate condition survey programme started in 2025/26, and new data will be uploaded to our database and GIS system. As this data builds a picture, it will be used to inform a new Neighbourhood Investment Plan for our communal and open spaces to enhance the kerb appeal of our estates and build community pride in neighbourhoods. This will be implemented from 2026/27 onwards and a budget provision of £100k per annum has been made.

On occasion, unplanned construction issues such as the discovery of unrecorded mine shafts require immediate attention. In such situations, mining surveys will be commissioned to investigate any necessary remedial action. If tenant safety is a concern, tenants will be relocated as soon as practicable. Expanding our knowledge of our open spaces could prevent unforeseen risks and enhance tenant safety.

The following will ensure that we strengthen our investment decisions:

Targets	Year
Each property to have a stock condition once every five years and a valid EPC to ensure up to date property data, which is to be accurately stored to support investment decisions	Ongoing
Undertake a survey of all open and communal spaces across every estate to ensure compliance with the Consumer Standards and to inform a new Neighbourhood Investment Plan	March 2027
Amend the stock condition survey specification to reflect the revised Decent Homes Standard, loft fire stopping for new build properties, and major adaptations	March 2026
Use GIS mapping tool to overlay property condition information and individual tenant household data to inform decision making.	March 2028
Analyse stock with highest repair and maintenance spend, complaints, damp and mould, void turnover, and/or those that may require more frequent stock survey inspection.	March 2027

B OPTIMISING OUR ASSETS

Aim: Take a pro-active and targeted approach to asset optimisation to 2030 and reduce energy efficiency investment

Asset Optimisation

Increasing financial pressures on our sector resulting from continued rent controls and the 4-year rent freeze, lower new build grant funding levels, rising regulatory and other legal standards, and higher than expected levels of inflation have all heightened the need for Boards to make difficult decisions about investment priorities across their business, including its approach and appetite for asset optimisation.

Asset optimisation is a key principle of any good asset management strategy and has been implemented by Ocean Housing for many years. Our asset optimisation objective is to retain a 'core stock' of good quality, design and construction, which have reasonable short-, medium- and long-term investment and management costs, and sustainable housing demand.

Given the age and nature of the stock transferred from Restormel Council, some assets are inevitably expensive to maintain, have poor energy efficiency, and offer less attractive living conditions, particularly our flatted and older persons' schemes and non-traditional stock. Asset disposal, demolition and/ or regeneration may be a viable solution for these properties.

Part of the Service Improvement Project Review explored how we could ensure appropriate assets are sold and aligned with a proposed revised energy works programme to optimise asset management, maximise opportunity of receiving grant, improve cash flow and, ultimately, the 2030 interest cover.

The profile of sales as per the current business plan is set out below with the disposal criteria detailed in the Land and Property Disposal Policy:

Year	Total
2026/27	40
2027/28	40
2028/29	25
2029/30	25
Total	130

Regeneration

To date, Ocean has successfully regenerated three schemes comprising 103 homes replacing outdated stock with high quality affordable housing, which has also been designed to have a wider positive impact on the community. These schemes are:

- Prince Charles House - 31 units of older persons HAPPI accommodation built to Building Research Establishment Environmental Assessment Method (BREAM) outstanding level
- Windmill House - 12 units of older persons HAPPI accommodation with meeting space for the wider community

- Polgrean Place - 44 flats and houses for rent and shared ownership sale and 16 units of older persons HAPPI accommodation, 2 commercial units and community facility

Given the cost of regeneration, we have no current ambition to undertake any further projects up to 2030. It is therefore necessary for us to continue to dispose of assets that are a financial liability to Ocean via our Land and Property Disposal Policy, where possible.

However, it is prudent to consider the longer-term implications given the high Net Zero obligations and signs of falling demand in some of our units, i.e. bedsits. We therefore plan to identify and develop options appraisals to inform long terms plans for the schemes that are in least demand, poorest condition and bedsit provision, such as Fifield House, Poltair Court, Tregonissey Close. Implementation of estate improvement and regeneration/redevelopment opportunities of the poor performing schemes could be potentially funded from ongoing reactive asset sales post 2030.

Asset Optimisation Targets

Targets	Year
Sell 207 properties through application of agreed criteria on properties becoming empty to include the poorer performing and higher cost burden properties	March 2030
Sell 100 units through a pool of targeted property becoming vacant following an agreed voluntary decant of existing tenants	March 2030
Develop long term estate improvement and regeneration/redevelopment plans for the worst three poor performing schemes that are in least demand and in the poorest condition	March 2026

C PROVIDING SAFE AND DECENT HOMES AND NEIGHBOURHOODS

Aims:
Invest in the stock to ensure it is hazard free and meets the revised Decent Homes Standard

Prioritise tenant safety through on-going investment and ensure full property health and safety and building safety compliance all year, every year

Create more attractive neighbourhoods with greater kerb appeal through a new long-term investment plan

Decent Homes - Planned Maintenance

The main premise behind our planned and cyclical maintenance programmes are to ensure that key components relating to property safety are regularly inspected and replaced in line with the appropriate legislative and regulatory standards and their life-cycle expectation.

This ensures that the Decent Homes Standard is maintained and our tenants live in safe and comfortable homes. Similarly, planned, preventative maintenance reduces demand for reactive repairs, maximises value for money, whilst minimising disruption and improves tenant satisfaction.

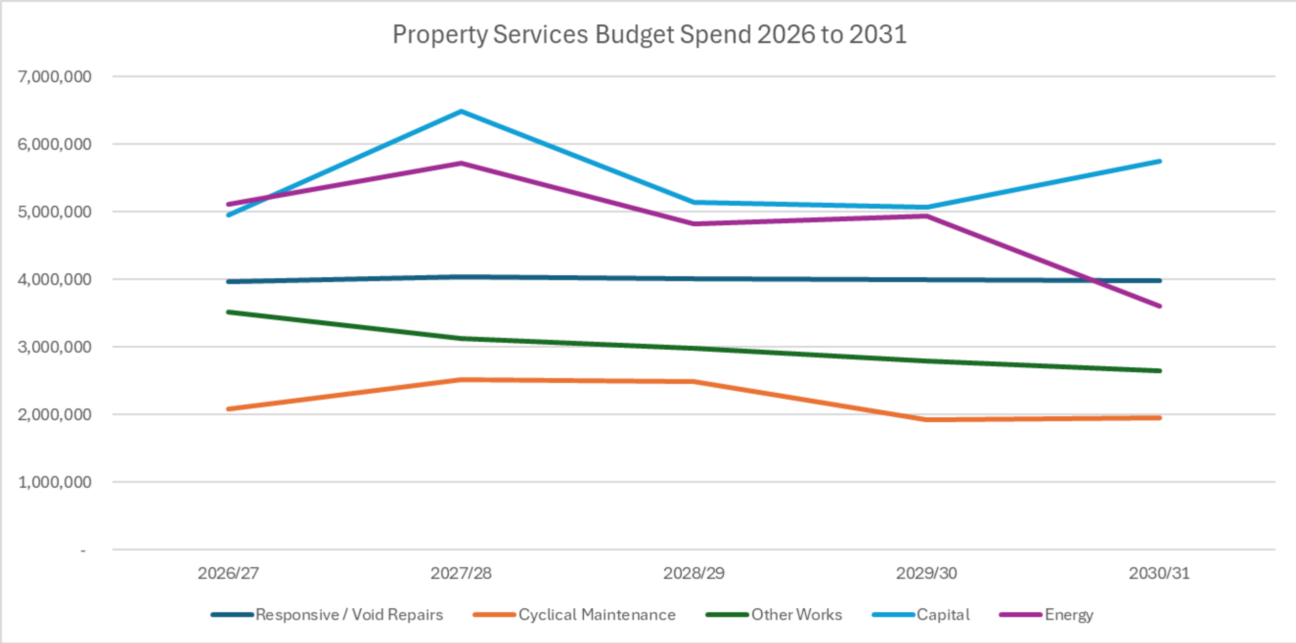
Annual investment plans are drawn together utilising the information we hold against each property, which enables us to inform our 40-year investment plan. Whilst the investment plan indicates the number of properties requiring investment each year, an on-site survey prior to installation of any major component is undertaken to confirm this. Where appropriate, we target reduced lifecycles to comply with Modern Facilities and consider for replacement, where necessary. Adhoc additional investment projects are undertaken from time to time to enhance health and safety property compliance or improve the energy efficiency of our homes, such as the sprinkler system at Park House flats.

The component lifecycles used are shown below.

Table 1: Component lifetimes used in the disrepair criterion			
Building components (key components marked*)	**Houses and bungalows**	**All flats in blocks of below 6 storeys**	**All flats in blocks of 6 or more storeys**
Wall structure*	80	80	80
Lintels*	60	60	60
Brickwork (spalling)*	30	30	30
Wall finish*	60	60	30
Roof structure*	50	30	30
Roof finish*	50	30	30
Chimney*	50	50	N/A
Windows*	40	30	30
External doors*	40	30	30
Kitchen[19]	30	30	30
Bathrooms	40	40	40
Heating central heating gas boiler*	15	15	15
Heating central heating distribution system	40	40	40
Heating other*	30	30	30
Electrical systems*	30	30	30

Effective planning, based on detailed stock condition surveys and understanding of assets, allows housing providers to reduce spend on responsive repairs in favour of planned maintenance. There is an assumption that planned work is the more cost-effective way of maintaining properties. Ocean has improved its performance in this area through the commissioning of external stock condition surveys and by increasing its planned maintenance programmes, particularly around energy efficiency.

As projected, Ocean's Decent Homes Programme for kitchens, bathrooms, windows, doors and roofing are all increasing to the end of the decade, with business plan provision for such costs. This reflects the natural pattern of component replacements following a major 'Promises Programme' post stock transfer in 2000 and age profile of the stock. The four-year rent cut between 2016 to 2020, and pandemic resulted in the suspension of some key planned maintenance programmes, adding to replacement numbers now required up to 2030. The table below shows output and expenditure trends for Responsive Repairs & Voids, Cyclical Maintenance, Capital Works, Energy Improvements and Other Property Works.



Procurement and Contract Management

Material inflation and tendering costs continue to drive increased expenditure in this area, despite our close involvement with the Advantage South West procurement group and several long-standing contracting arrangements.

All employees must adhere to the groups procurement strategy, financial regulations and contract management policies. Contract managers should seek and obtain the necessary approvals before the award and commencement of contracts and record all commitments within the groups contract register. Contract managers must keep appropriate records of meetings, performance reviews and KPI data for their respective contracts.

Cyclical Maintenance - External Decoration

The exterior of all properties are repaired and decorated every ten years, with a repair and wash-down every five years. This programme has a positive impact on the kerb appeal of estates. This work is tendered and delivered by external contractors.

Hazard Free Homes - Damp, Mould and Condensation (DMC)

Our DMC service meets government and other best practice guidance. Our service aims to engage and support our tenants to deliver a triage approach to the prevention, treatment, and remediation of instances of DMC, as well as proactively identifying properties that may suffer these issues. We encourage and make it as easy as possible for tenants to report issues through traditional and digital channels. We will not apportion blame or use language inferring blame on the resident i.e. ‘lifestyle’. Ocean will take responsibility and work in partnership with tenants to resolve any actions identified.

Target	Year
Review Decent Homes programmes in light of revised Decent Homes Standard	Date to be confirmed when published
Target 100% Decent Homes Compliance with the exception of tenant refusals	Each year
Provide a high-quality Damp, Mould and Condensation Service in line with service timescales and Awaab's Law.	Implemented October 2025

Health and Safety Property Compliance

Ocean Housing has a robust Property Compliance Framework in place based on best practice and a zero-tolerance approach in terms of gaining access. This framework has been supported by significant financial investment to strengthen our approach with new staff resources, moving from 10 to 5-year electrical testing, more external assurance checks, new fire safety door checks, the use of injunctions and on the installation of a sprinkler system at Park House. Post Grenfell, Building and Fire Safety legislation has been tracked as part of Ocean's Social Housing White Paper Action Plan and implemented as required.

Ocean will comply with our statutory obligations relating to landlord compliance. Wherever possible, we will provide additional assurance that goes beyond compliance.

Risk Controls

Given the importance of this area of activity, Ocean Housing has a strong risk control framework in place as set out below.

First and second line of defense - Internal controls

- Monthly performance reports to demonstrate adherence to our statutory obligations regarding landlord compliance
- Second line of defense checks carried out by Head of Health and Safety (H&S), Environment and Risk
- Monthly Executive Group (EG) reporting of H&S and second line of defense checks
- Integration of the programme of compliance activities with the central asset register to ensure continued alignment
- Process to ensure evidence of building compliance from management companies where Ocean do not own the freehold
- Training to ensure relevant staff up to date on compliance legislation, regulation and guidance

External Assurance

- Registered with Gas Safe and recertified annually
- CORGI carry out 5% check on gas operatives work and paperwork every month
- Electrical Safety is assessed by the National Inspection Council for Electrical Installation Contracting (NICEIC) registration body annually
- Communal Fire safety - All our fire equipment except stand-alone detectors inspected by external contractors who are regulated by British Approvals for Fire Equipment (BAFE) Fire Safety Register or the Fire Protection Association

Board Assurance

- Property Compliance reporting to demonstrate adherence to our statutory obligations regarding landlord compliance
- Separate reporting on White River Place at each OHL Board meeting - Board proactive approach to managing third party risk taking legal action to force compliance when appropriate
- Property Compliance on OHL Divisional Risk Register
- White River Place on Strategic Risk Register
- Oversight by Group Audit Risk and Assurance Committee of Property Compliance and White River Place
- Internal Audits

High Risk Buildings - Park House Flats

As previously stated, Ocean owns and manages Park House flats which is 11 storeys high. Our approach to ensuring compliance is set out in the table above. In addition to compiling a Building Safety Case and report, Ocean will be upgrading the communal area doors to new fire safety standards over the course of the next two years at a cost of over £250k. We shall also be carrying out a full window and flat entrance door replacement project, interior and exterior redecorations, fire compartmentation and major roof repairs. There are structural surveys taking place to ensure the building is structurally sound This survey will inform the extent works necessary to ensure the building's longevity, allowing Ocean to review and plan a phased approach across the next 5 years. The adjacent car park has had a structural survey, but works will be held until remedial works to the block are started

White River Place Scheme

White River Place (WRP), at its highest, is seven storeys and over 18m. It is constructed of a supporting cast reinforced concrete frame, floors and underground car parking area. The two blocks are finished in a range of materials, some of which have been found to be combustible, as is some of the insulating material beneath them. A number of other issues impacting on the fire safety of the block have also been identified.

Ocean own 10 rented, 9 shared ownership and 1 leasehold flat. The two blocks are owned by Abacus and managed by third party organisations – THPP (Management Company) and Plymouth Block Management (Managing Agent). Ocean Housing are closely monitoring the work of Plymouth Block Management (PBM) in dealing with the issues the block presents. A Building Safety Fund application has been approved to carry out remedial work with tendering underway. The status of this scheme is routinely reported to OHL board and features on the Risk Register.

Property Compliance Targets

Targets	Year
Maintain full property compliance for all statutory areas	100% all year, every year
Complete Year 2 communal fire door replacements at Park House	March 2026
Continue to pro-actively monitor and challenge progress with the Building Safey Fund works to White River Place	Monthly review meetings with management agent

D INVESTING IN WARMER HOMES

Aim:

Invest in an energy efficiency programme to ensure all stock achieves an EPC 'C' or above rating by 2030, with a drive to accelerate completion of the programme ahead of time

Secure maximum levels of external grant funding to reduce Ocean's investment requirements

Future proofing new build homes built to a minimum of EPC B

Energy Efficiency Strategic Framework

At the end of March 2026, Ocean will have 1038 (circa 24%) properties that are below EPC C requiring further investment to meet the 2030 energy standard target. Properties requiring retrofit energy measures to achieve EPC (C) will receive building fabric improvements where the existing building fabric is found to be below an acceptable standard. We will then consider improvements to building services such as heating and hot water systems before adding renewable technologies such as solar panels where possible.

The energy improvement programme will focus on 788 of the 1038 properties, to be improved over the next two years. The remaining 250 properties have been programmed for improvement in the final two years of the programme. These properties will be targeted for asset optimisation in the interim, as set out earlier in the strategy. Any properties not disposed of will be brought up to EPC C by the March 2030 deadline.

The table below shows the estimated trajectory of EPC C compliance.

Year	% of stock at EPC C or above
2022-23	60.96%
2023-24	63.78%
2024-25	66.7%
2025-26	76.13%
2026-27	85.21%
2027-28	94.3%
2028-29	97.33%
2029-30	100.00%

External Funding

Ocean has a strong track record of securing grant funding to support energy efficiency programmes. Between 2018 and 2022 Ocean Housing secured and delivered works to obtain circa £1 million of grant funding to improve the energy efficiency of our homes.

The Social Housing Decarbonisation Fund (SHDF) was introduced in October 2021. For Wave 1, a total of £160million was allocated and Ocean was successful in a bid that was submitted via the West of England Consortium (WECA). The bid allowed improvement works to 58 properties at a total cost of £1.1million with a contribution of £750,000 from the SHDF. A further £115,000 of funding was made available within the consortium which Ocean were able to obtain to deliver an additional 24 properties at the higher funding rate in Wave 1.

Ocean have also delivered through Wave 2.1 of SHDF. Completing works in 270 homes at a cost of £3.5million and receiving grant funding for £1.75 million of these works.

In 2025/26 works have been completed in more than 300 homes using the Energy Company Obligation (ECO) 4 scheme. These works have been fully grant funded and provided heating and renewable technologies such as solar panels to eligible homes.

Our established and successful partnership with the West of England Combined Authority (WECA) continues throughout 2025/26 and beyond with our bid and successful award for the Social Housing: Warm Homes Fund (SH:WHF) Wave 3. Through this programme we aim to improve 624 homes by investing £9.7m in energy efficiency improvements for which we expect to attract £4.8m of grant funding.

We will continue to ensure that the building fabric and ventilation standards in our homes meet the required standards, and in line with the Warm Homes Plan released in January 2026 we are planning to increase delivery of rooftop solar for eligible homes. The complexity and intricacy of delivering energy improvement programmes, particularly those linked to government funding remains unchanged. The ever-evolving landscape of Publicly Available Standards (PAS) including those focussing on energy efficiency, PAS 2035 and PAS 2030. They remain focussed on the quality and success of retrofit measures and require our internal and external resources to be up to date on the most recent developments in the sector.

Ocean’s internal energy improvement team maintain their accreditations for delivering Retrofit Assessments and Coordination activities whilst our trade staff continue to support with installations of heating, hot water and ventilation upgrades.

There are a limited number of accredited contractors in Cornwall, however, Ocean have built strong relationships with several local contractors through current and previous schemes. Ocean’s biggest programme of energy improvements to date is now underway and our reliance on external contractors needed to support our delivery is an important factor.

We have worked closely with established procurement support providers such as the South West Procurement Alliance (SWPA) to help secure survey, design and installation support for the Wave 3 programme.

As well as focussing on compliant routes to the procurement marketplace and driving value for money, it also ensures that we can put Social Value at the heart of procurement so that there is a real benefit to the communities we work in, with a percentage of the contract value going back into our communities.

We will continue to look for opportunities to work with the local supply chain and communities where possible.

Ocean have delivered all previous schemes on target and within budget, which is key in building a reputation as a trusted delivery partner for future funding opportunities and contractors.

Tenant Information and Knowledge

We understand that having any works completed can be intrusive and challenging. Our aim is to ensure that we communicate our plans to you, where energy improvements are required, as early as possible and not just at the start but for the duration of the works. We also know full well that the best laid plans can change and where this happens, we will do our very best to make sure we keep everyone affected informed.

Ocean offers an energy advice service to support tenants in utilising their heating and electricity use to maximise efficiencies. As part of the PAS2035 retrofit standards, all new retrofit measures require a detailed handover to the tenant. Ocean and our installation partners provide this service in person for each property within the energy programme and leave tailored written handover instructions for each measure that has been fitted. A follow up evaluation between 3-12 months after work is completed is also undertaken to ensure that the tenants are using the systems in the most efficient way and that they are having the intended outcomes.

Future Homes and Building Standard

The Government is committed to achieving the target of net zero greenhouse gas emissions by 2050, and the Future Homes Standard is the method by which they will ensure that all new homes are carbon neutral.
Although specific timelines for implementation are yet to be confirmed it is expected that the Future Homes Standard will be published in the second half of this decade.
The revised standards are being introduced in two phases. The first was implemented with the last updates to Building Regulations Part F and Part L (Ventilation and Conservation of Fuel & Power) in 2022 with further changes expected to be confirmed in the later part of 2026.
What is clear now, is that all new homes should be zero carbon ready with no need to provide retrofitted measures to achieve Net Zero. This will be achieved by having in place high energy efficiency fabric standards, low carbon heating systems and solar PV panels.

Ocean Housing are undergoing the final stages of a review of the technical specification used for new homes which will ensure that all required legislation changes to standards are included, whilst also reviewing materials and products to reduce both up front capital and ongoing maintenance costs of our homes. Ocean Housing already have a policy in place for all new homes, with rare exceptions, to be EPC B or above, and with no connection to the gas network which remains unchanged.

Net Zero Carbon 2030 – 2050

Ocean’s indicative net zero carbon programme from 2030 – 2050, has been modelled using the CROHM software. Retrofit measures are proposed to continue with building fabric improvements where required, in addition to renewable systems such as Solar Photovoltaics (PV) and heat pumps. The retrofit works have been costed and are estimated to total circa £57m, allowed for in the business plan to 2050.

By 2050, 2106 of Ocean's homes are predicted to reach net zero carbon or below. Where there are excess carbon emissions produced by our homes across our whole stock, we will need to offset these through a carbon credits scheme.

If using current Energy Performance Certificate (EPC) metrics by 2050, our homes are estimated to be broken down as below -

- 2,913 properties will meet EPC A*
- 899 properties will achieve EPC B*
- 419 properties will have retrofit measures completed but will remain at EPC C*
- The average carbon emissions will be 2.35kg/CO_2 per dwelling per year by 2050*
- Annual carbon offsetting costs are estimated to be approximately £93,600 per year at current rates.

  * The above data assumes programmes of retrofit works to achieve these ratings

More detailed work will be carried out on this programme to correlate high investment properties and high carbon emitting properties.

The good news is that works completed will not only be good for the environment but should have a positive impact on keeping homes warm, and well-ventilated. They should reduce energy use and improve running costs which we acknowledge is more important than ever.

Investing in Warmer Homes Targets

Targets	Year
Tender for a long-term contractor for roofing, external insulation and window and door replacement work	September December 2026
Deliver an accelerated three-year energy efficiency programme with the exception of the final 250 properties, some of which will be targeted for disposal	March 2028

E MODERNISING OUR CUSTOMER FIRST REPAIRS SERVICE

Responsive Repairs Service

Tenant perception of Ocean Housing is predominately driven by their experience of their last repair. In 2024/25, Ocean Housing invested £4.0m and delivered c.14,000 repairs to its housing stock. We aim to deliver a repairs service (Responsive Repairs Policy 2025.pdf) that:

- ensures the housing stock is maintained to a safe, secure and habitable standard
- complies with all relevant statutory and regulatory standards
- ensures repairs are undertaken to agreed timescales, to an agreed standard of workmanship and at a cost which represents value for money for tenants that ensures the service is accessible and responsive to tenants' needs and that repairs are undertaken at times which are convenient to them
- we do the job right first time and, where problems arise, ensure that these are rectified as soon as possible
- achieves a high level of tenant satisfaction with all aspects of the service including the standard of the completed repair

Our current service standards* are:

- Emergencies - 24 hours
- Urgent - 5 working days
- Standard - 20 working days
- Non-standard – 40 working days

**See policy for more details.*

Digitalisation

Following our Service Improvement Project Review, we believe modernising our repairs service through digitalisation is a priority. Digitalisation of our repairs service would deliver multiple benefits as set out below.

Empower our tenants – our tenants will have the ability to:

- Make repair appointments 365 days a year via an online portal
- Choose what repair is needed or request a trade to diagnose and repair on that day
- Receive seamless confirmation of appointment and change/edit appointment to suit their needs (subject to time)
- Track where the trade operative is in relation to the appointment time slot
- Complete a satisfaction survey via their online portal

Operational resource benefits – these will be gained from:

- Reducing wastage from no access/follow-on works and travel time, increasing productivity
- Improving trade staff satisfaction
- Reducing staff front-end interaction saving resource
- Improving real time tenant communication
- Improving tenant satisfaction lowering complaint volumes
- Improving culture and behaviours amongst our workforce

Business benefits – these will be gained from:

- Extending our operating hours to provide a flexible appointment system to meet the needs of all tenants

- Utilising modern technology to enable seamless transactions moving into other business streams confirmation and repair delivery

Tenants who are unable to use technology would be able to report repairs via other more traditional methods and receive a high quality of service.

Empty Properties

Ocean aims to maximise the occupation of its stock and its rental income through the efficient management of empty properties with minimal void periods (see policy for more details Empty Homes Policy.

Ocean's empty property letting standard ensures that when relet, homes are safe and all relevant legislative and regulatory standards are met before letting. This includes providing the incoming tenant with a copy of the EPC. Our letting standard identifies the standards, security, safety, cleanliness, heating and facilities to be offered on relet. As a result of the Service Improvement Project Review, our lettings standard from April 2024includes non-slip washable flooring for kitchens and bathrooms. From 2025/26, tenants moving into an empty property or new build home are offered a £200 flooring voucher towards their floor covering of choice, a welcome bag of groceries and a £10 energy voucher.

Aids and Adaptations

We undertake ad hoc minor aids and adaptations to improve the mobility and/or standard of independent living to meet residents' needs, with an annual budget provision. We work with Cornwall Council and where applicable, grant permission for Disabled Facilities Grant Adaptations in a timely way. We will increase our data on adaptations as part of our rolling stock condition survey process.

Modernising our Customer First Repairs Service Targets

Targets	Year
Undertake preparatory work to enable the introduction of a digitalised repair service	March 2026
Refresh the schedule of rates and van stock to support the new service delivery model	March 2026
Carry out staff consultations on revised terms and conditions to enable the new service delivery model	March 2026
Pilot and launch new digitalised repairs	March 2027
Reduce void turnaround times to: < 15 days <12 days	 March 2027 March 2030