

Orchard Options Appraisal

Take a strategic view of your housing stock

Options Appraisal, a module within Orchard Asset that allows active asset management for use with existing housing stock. This enables a strategic view of housing asset management and provides stock viability assessments. Housing organisations can as a result make informed and transparent decisions regarding the sustainability of stock, including future spend, redevelopment or disposal for single dwellings up to entire estates or areas. This effectively saves time and money, as manual efforts are reduced.

Make Informed Decisions

With Options Appraisal you can make informed and transparent decisions about alternative future treatment of properties such as:

- Convert to market rent.
- Sell the asset(s).
- Demolish and rebuild.
- Refurbish.
- Keep the status quo.

Functionality

Any number of user defined groups of properties can be created for analysis, either individually or based on any discrete combinations of data from any part of the Orchard Asset database.

User defined financial and social impact factors are created or data loaded, with rules determining the properties to which they apply. These factors determine the cost and/or social impact points scores that are used in the analyses and the inflation assumptions to be used.

Typical financial factors would include:

- Management costs.
- Reactive maintenance costs.
- Servicing costs.
- Rental income.
- Service charge income.
- Void losses.

Social impact scoring factors might include:

- **Demand**
 - Percentage of Properties Void.
 - Number of Refusals.
 - Tenancy Length.
- **Customer Behaviour**
 - ASB Cases.
 - Rent Arrears.
- **Neighbourhood Assessment**
 - Deprivation Indices.
 - Customer Neighbourhood Perception.
 - Staff Neighbourhood Perception.

Information/data derived from Orchard Asset itself, such as planned component renewal costs, are automatically available for inclusion in any scenario. Factors such as demolition and redevelopment costs, alternative rental patterns can be created and used in an unlimited number of alternative scenarios.

Net Present Value

In an analysis, a discount rate and period of years is selected and both Net Present Values and social impact scores are calculated. The results are displayed graphically with full drill down to individual property level.

Decisions made following the appraisal are then based on calculated values rather than local opinion, ensuring that any subsequent actions represent good value for money and benefit the local community.

“Prior to using Orchard Asset, our data was held in various spreadsheets which made dealing with compliance, decent homes calculations and asbestos, time consuming and cumbersome. As with the other modules, Options Appraisal has not only saved us time and effort but has also provided the ability to assess stock performance and analyse reasons for poor performance, all from the same master set of data.”

David Lowe, Asset Manager, ForViva.

Assess your options
for future stock investments



Consistent Approach

Options Appraisal provides a consistent approach to decision making, helping to achieve maximum effectiveness and best value. It provides a clear basis for future reviews of the cost effectiveness of stock and ensures that the option selected is more likely to meet the desired objectives.

Key Features

- User defined factors for financial (NPV) and non financial (social impact) scoring.
- RAG banding.
- User defined property groups with GIS map plotting.
- Status quo scenario establishes baseline for NPV and points scores.
- Graphical presentation.
- User defined scenarios with any combination of factors.
- Automatic links to planned component replacement years/costs.
- Built in data loaders for financial and non financial property factors.
- Ability to score properties based on user defined rules against any data stored in Orchard Asset.
- All analyses are retained for historical review and comparison
- Scenario Comparisons for property groups.
- Stress testing for business plan assumptions.

NPV and social impact scoring Illustrations

Fig 1 NPV against Time

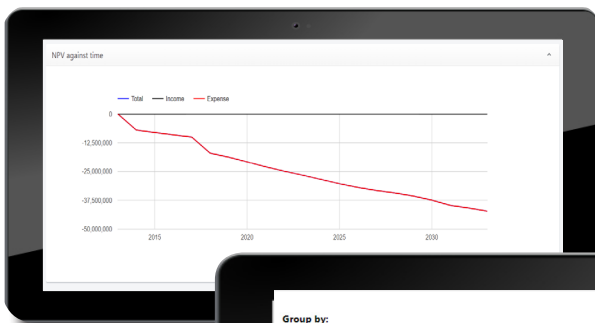


Fig 2 Total Social Impact against Time

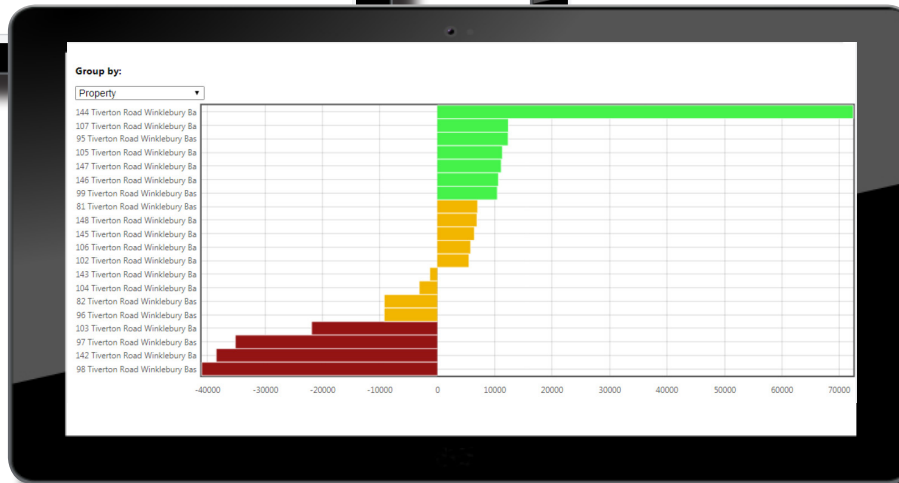
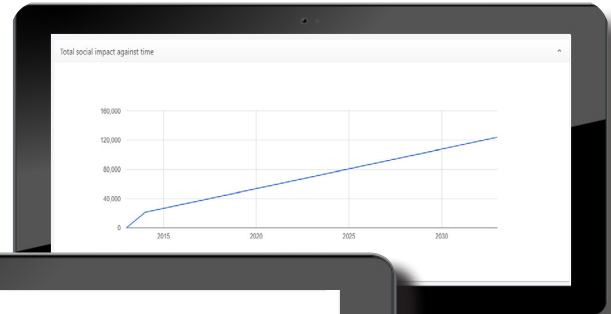


Fig 3 NPV of Properties forecast to lose money over time (red) against those that aren't (green).

“The implementation of the model with an existing system was so much simpler and smoother than a standalone solution, saving time and manual efforts – it’s just about putting the information in!”

Strategic Asset Manager, Magenta Living.

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