



ASSET MANAGEMENT STRATEGY 2018-2021

1.0 INTRODUCTION

- 1.1 The Association is aware that the decisions it takes on stock investment, maintenance, demolition and disposal are business-critical decisions that have both immediate and longer term implications for performance in meeting our strategic objectives and remaining viable as an organisation.
- 1.2 Accordingly, our Asset Management Strategy is firmly rooted within our overall strategic objectives, as outlined in our Corporate Management Plan. The aim of our Asset Management Strategy is to deliver housing investment through new build, acquisition, refurbishment and planned maintenance activities that will ensure that the Association's housing stock is of a quality and type that meets the needs of its tenants; it is located in the right places, is environmentally sustainable and energy efficient and is capable of being effectively, efficiently and economically managed and maintained over the long term. The strategy also aims to maximise income and minimise liabilities and targets planned maintenance investment into stock that has long-term viability in delivering our objectives.
- 1.3 Our strategy takes a holistic approach to asset management, as we are aware of the need to ensure that we only invest in property that is sustainable. Accordingly, we invest in new build and acquisition of property and in the maintenance and improvement of our existing homes on the basis that there is a short and medium term demand for our properties. All parts of our area of operations display housing need and we do not have any stock that is classed as difficult to let.

2.0 Corporate Management Plan

The Associations Corporate Management Plan 2018/2022 refers to the "Asset Management Strategy and Plans" and

- ✓ Comments on the Association's status in compliance with the SHQS. It also outlines areas where exemptions are applicable and the reasons for these, and whether the exemption can be addressed
- ✓ Confirms the planned expenditure over the next 5 years to ensure compliance is maintained.
- ✓ Refers to the Associations 5 year asset plans (as contained in the 5 year financial projections) with particular reference to issues identified through tenant consultation as

being important e.g., energy efficiency improvements, increasing security and improving housing quality

- ✓ Refers to the new EESSH requirements including a position statement of current compliance, and measures to increase compliance to December 2020

2.1 Compliance with Scottish Housing Quality Standard (SHQS)

The Association's rented stock of 1361 the end of March 2018 (excluding shared ownership) can be categorised as follows:

711 principally new build stock in Clackmannanshire.
177 new build stock in West Fife
473 large scale voluntary transfer (LSVT) stock in Tullibody transferred from Scottish Homes.

Predictably the new build stock shows high levels of compliance throughout the plan period. However, despite considerable investment since 1998, the LSVT stock, which includes 185 non-traditional properties, continues to require high levels of expenditure.

The Associations rented housing stock is located in 64 developments throughout Clackmannanshire and West Fife. In addition the Association had 24 shared ownership properties as at 31st March 2018 and managed 42 mid-market rented units on behalf of Coalsnaughton LLP 2012 at Nechtan Drive, Coalsnaughton., this number having increased by 14 units during 2017/18 with 14 mid-market rent units having been completed at Dunmoss View Coalsnaughton

The Association successfully met 99.2% compliance with the SHQS by 31st March 2018 (excluding exemptions) and is currently continuing to gain access to the outstanding properties to undertake any necessary work.

2.2 SHQS Investment

The Association invested £366,322 in its housing stock in 2017/18 aimed at achieving the Scottish Housing Quality Standard. In terms of future investment the 2018/19 budget and current 30 year cash flow assumes SHQS to maintain compliance

2.3 EESSH Investment

Although there was no specific EESSH budget heading in 2017/18 investment in such things as new boilers will have contributed to the level of compliance at 31st March 2018 of 82.7%

During 2018/19 investment will be quantified in such terms although the majority of expenditure will relate to procuring additional EPC certificates where these require to be updated following investment in the property.

The Association projects that an additional 89 properties will be brought up to standard during 2018/19 which would result in an increased level of compliance at 31st March 2019 of 89.2%.

2.4 Funding

Based on the current maintenance assumptions the existing 30 year cash flow shows that the Association is confident of being able to fund the investment required and on-going maintenance requirements for the next 30 years.

3.0 DEVELOPMENT PROGRAMME & STRATEGY

- 3.1** The Association's development aspirations are articulated in a Development Strategy that is reviewed annually by the Management Committee.
- 3.2** The principal means through which the Association has increased its stock numbers has been by the development of new build affordable housing for rent and low cost home ownership products. This has been reflected in the Association's strategic objective to provide increasing numbers of high quality affordable housing solutions since its formation in 1989.
- 3.3** The planning framework for the delivery of a development programme stems from the Council's proposals for investment in its Strategic Housing Investment Plan based on its Local Housing Strategy. This three year resource planning submission informs the publication of the Scottish Government's Affordable Housing Supply Programme, from which the area's investment in social housing is derived across Council and housing association provision.

Up until 2012 local investment priorities in Clackmannanshire were agreed between the Council and the Association who at that time were seen as the preferred RSL development partner. However, in recent years, as a result of the Association stepping back from development, local housing investment priorities have been implemented by Kingdom Housing Association.

4.0 NEW BUILD PROGRAMME

- 4.1** In April 2013, as a direct result of the reduction in subsidy levels, the Association's Management Committee took the decision to suspend its new build development programme until such time as the financial circumstances improved particularly with regard to the level of public subsidy.
- 4.2** Accordingly, our developments at Kippen Place Sauchie and Miller's Lade Avenue Sauchie which were completed and occupied in 2012 and 2013 were expected to be to be our last new build provision for some time.

- 4.3** However, in 2016 the Scottish Government revised its benchmark grants to levels reinstating these to the levels which meant that social housing projects were once again financially viable.
- 4.4** This has allowed the Association to return to the delivery of a limited amount of development. Partnerships have now been re-established with the Scottish Government, Clackmannanshire Council including a formal development partnership with Kingdom HA which we will deliver 11 new units of housing for social rent on sites at Miller's Lade Avenue Sauchie in 2018/19 and 35 units at Elm Grove Alloa within the next 2 years.

Millers Lade Avenue, Sauchie (Phase 2)

The proposed housing mix and timetable for Miller's Lade Avenue is as follows:

- 2 x 4apt/5p semi-detached houses
- 2 x 3apt/4p semi-detached houses
- 3 x 3apt/4p terraced houses
- 2 x 2 apt/2p ground floor amenity cottage flats
- 2 x 2 apt/2p first floor amenity cottage flats

TOTAL 11no.

<i>Tender Approval from SG</i>	February 2018
<i>Planning Permission Granted</i>	February 2018
<i>Final Development Agreement Signed off</i>	March 2018
<i>Proposed Site Transfer to Kingdom</i>	26th March 2018
<i>Site Start</i>	14th May 2018
<i>Complete</i>	March 2019;
<i>Transfer from Kingdom back to Ochil View</i>	March 2019
<i>First Let</i>	April 2019

Elm Grove, Alloa

The Associations site at Elm Grove, Alloa, purchased in 2004/2005 from Clackmannanshire Council has now been included in the strategic housing investment plan for a site start towards the end on financial year 2018/2019.

The indicative housing mix and draft timetable is as follows:

- 4 x 1 bed / 2p cottage flats
- 12 x 2 bed / 4p house (1 wheelchair standard)
- 8 x 3 bed / 5p
- 8 x 3 bed / 6p (1 wheelchair standard)
- 3 x 4 bed / 7p (1 wheelchair standard)

Total 35 units

Confirmation of site capacity & mix	May 2018
Ochil View HA to comment on proposals:	May/ June 2018
Desktop site investigation complete/ confirmation of Letter of Reliance on previous SI:	June 2018
Intrusive site investigation (if required)	June 2018
PAN submission & consultation:	June 2018
SHR disposal consents to be progressed: OVHA to KHA and return	July 2018
KHA Technical Appraisal:	July 2018
Ochil View HA to confirm rents:	August 2018
OVHA cost plan approval:	August 2018
SHR consents for disposal to & from KHA	August/ September 2018
Plans developed for submission to Planning & Stage 1 Warrant:	September 2018
Tender to KHA framework contractors	November 2018
Ochil View HA sign off and approval on final scheme and costs:	January 2019
KHA to submit Tender Grant application:	January 2019
Development Agreement & land transfer to KHA ahead of site start	February 2019
Site start	February/ March 2019

5.0 RESIDENTIAL PROPERTY ACQUISITIONS

- 5.1** In 2015 the Association embarked upon a strategy of purchasing individual residential units and to date, with the financial support of the Scottish Government and to date a total of 15 properties have been acquired, with a further 4 scheduled for 2018/2019..

- 5.2** The key driver for this is to try, in some small way, to bring back into social housing some of the properties lost over the past 30 years through right to buy particularly where the acquisition helps to address common ownership issues which have arisen through such a policy.
- 5.3** Criteria and terms for the acquisition of property on the open market are set out in the Association's Residential Property Acquisition Strategy

6.0 MANAGEMENT AND MAINTENANCE SERVICES

- 6.1** The Association currently manages 42 units of Mid-market Rent properties on behalf of Coalsnaughton 2012 LLP, a public/private partnership consisting of Hadden Construction, Clackmannanshire Council and the Scottish Futures Trust (a part of the Scottish Government).
- 6.2** The Association is responsible for reactive and pre-let repairs, but has no responsibility for investment, planned or cyclical maintenance. Likewise we have no exposure to Rent Arrears or Void Rent Loss, provided that we complete our responsibilities in terms of publicity and allocations as set out in the Agreement. Tenants are not Scottish Secure Tenants but are tenants of the LLP, with Short Assured Tenancies and an on-month's rental deposit is held by a third party intermediary to mitigate the Association's risk in terms of damage to property.
- 6.3** The Association has reviewed its involvement in NHT management based on the expectations prior to signing the Management and Maintenance Agreement in April 2014 and the additional requirements from the Housing (Scotland) Act 2014 relating to Letting Agent Registration. We have concluded that costs are running significantly above expectations, largely due to turnover of property being more than double what was expected. We have raised our concerns with the LLP and advised that a contribution towards additional direct costs of compliance must be made (training and registration costs) and that a revised Management and Maintenance Agreement must be in place for the 5th Anniversary of first letting in April 2019, addressing the costs of planned maintenance and renewals
- 6.4** The Association provides a Factoring Service to 46 home owners and 25 sharing owners. The Association is a registered Property Factor within the requirements of the Property Factors ((Scotland) Act 2011 The Association aims to recover its administration costs in providing a factoring service and to recover the direct costs of any work done on behalf of owner occupiers in the maintenance of their homes. Where ever possible we will exclude home owners from maintenance work where this is not fully funded but in some cases, where this work affects structure or quality of service to our tenants, this may not be possible and we may have to front fund works and recover costs later.

7.0 EXISTING HOUSING STOCK PROFILE

7.1 At 31st March 2018 our property portfolio consisted of:

- ✓ 1367 self-contained lettable properties
- ✓ 6 non-self-contained properties containing 10 bed spaces

7.2 Size

The size profile of our properties was as follows:

- ✓ 7 no 1 apartment (bedsit) properties
- ✓ 352 no 2 apartment properties
- ✓ 577 no 3 apartment properties
- ✓ 409 no 4 apartment properties
- ✓ 27 no 5 apartment properties

7.3 Age

The age profile of our stock is as follows:

- ✓ 485 units were completed 1945-1964
- ✓ 1 unit completed 1962-1982
- ✓ 537 units were completed 1983-2002
- ✓ 349 units were completed after 2002.

7.4 Property Types

Our self-contained housing stock is divided into the following accommodation types:

- | | |
|---------------------------|-------|
| • Houses/Bungalows | • 601 |
| • 4 in a block flats | • 171 |
| • Other flats/maisonettes | • 601 |

7.5 LSVT

476 of our properties in management are those remaining in the Associations ownership following a 584 unit stock transfer from Scottish Homes in 1998.

7.6 Location

Our housing stock is spread across two adjacent local authorities, Clackmannanshire and Fife, with 1196 units in Clackmannanshire and 177 units in Fife.

7.7 Costs & Funding

The historic cost, at 31 March 2018, of the Association's housing assets is £79.6m.

Our total borrowing, at 31 March 2018, is £25.6m. This results in a gearing ratio 32.2%.

The annual income from our rents and service charges from the housing properties in 2017/18 was £5.7m.

7.8 Investment

The Association has been, and continues to invest significant sums for the maintenance and improvement of its housing stock. Over the last 3 years our spend profile on maintenance has been as follows:

	2015/16	2016/17	2017/18
	£	£	£
Reactive & voids maintenance	692,769	633,313	615,433
Cyclical maintenance	317,569	525,187	237,847
Other planned maintenance	83,767	391,421	403,214
Major Repairs/Capital Works			
Total	£1,619,292	£2,498,480	£1,846,209

We expect this level of expenditure in broad terms to continue year on year throughout the term of our 30 year cash projections, having determined our spend profile through stock condition surveys and a life cycle costing matrix. Accordingly, our spend for the next 3 years is anticipated to be:

	(Budget)		
	2018/19	2019/20	2020/21
	£	£	£
Reactive & voids maintenance	683,791	702,595	721,917
Cyclical maintenance	220,143	479,196	226,197
Other planned maintenance	511,499	951,000	761,000
Major Repairs/Capital Works			
Total	1,894,629	2,393,792	2,243,334

7.9 Funding

The most updated 30 year plans (May 2018) show that no further borrowing is required to achieve the maintenance plans in the future, based on current information.

This position will need to be reviewed on an annual basis in line with a review of the future maintenance requirements and underlying assumptions within the business plan.

7.10 Fire Safety

Following the tragic fire at Grenfell Tower in London, a Scottish Ministerial Working Group on Building and Fire Safety was established to review Scotland's building and fire safety

regulatory frameworks. As a result the Scottish Government now requires that, by March 2021 that each home (regardless of tenure) will have:

- One smoke alarm installed in the room most frequently used for general daytime living purposes
- One smoke alarm in every circulation space on each storey, such as hallways and landings
- One heat alarm installed in every kitchen

All alarms should be ceiling mounted and interlinked. There is also a requirement for carbon monoxide detectors to be fitted where there is a carbon-fuelled appliance including central heating boilers) or a flue. Ochil View currently has contracts in place to complete this requirement by the deadline.

8.0 HOUSING MARKETS AND DEMOGRAPHICS

8.1 The Association takes a holistic approach to asset management and is aware of the need to ensure that it only invests in property that is sustainable. Accordingly, the Association invests in new build, and in the maintenance and improvement of existing stock on the basis that there is a short and medium term demand for its properties. There are no difficult to let schemes or properties within the Association's existing stock.

8.2 Relet Times

Over the past 5 years our performance in re-letting our empty properties has been:

2013/14	12.2 days
2014/15	13.6 days
2015/16	35.0 days
2016/17	13.7 days
2017/18	17.8 days

8.3 The significant deterioration in average relet time in 2015/16 was due to “one off” factors affecting one small development when a number of housing units which had previously been used for special needs housing were vacant for long periods prior to being returned for mainstream let.

8.4 This had the effect of a one off and non-recurring negative effect on average relet time. These issues were historic and have now been addressed and average relet time is has returned to more typical levels

8.5 Age of Stock

Apart from a number of Open Market Purchases, our oldest stock is that transferred to the Association through an LSVT contract with Scottish Homes in 1998 (see below).

Of the original 584 units acquired, 472 units remain in the Association's ownership with 112 units having been sold under the Right to buy. The Right to buy having been abolished, this number will remain constant. There is sustained demand for this stock which is being strengthened as the planned improvements to the internal and external fabric.

8.6 Non Traditional Stock

A significant number of these units (185) are of “non-traditional” i.e. steel framed construction, being either *Atholl Steel*, or *Weir Phoenix* that we have identified as being problematic in terms of EESSH compliance as these units require structural external insulation and an affordable, technically feasible solution is yet to be identified. This issue is addressed below.

8.7 Local Housing Strategy

The Association intends to support Clackmannanshire Council's vision, as set out in the Housing Strategy 2012-2017 that *every household in Clackmannanshire should have access to a good quality and affordable home, with advice and support services that meet their needs*

8.8 Clackmannanshire Strategic Housing investment Plan 2018-2023

Priorities in the most recent update of strategic housing investment plan are as follows:

- To maximise the supply of quality, affordable homes
- To make the best use of existing housing
- To reduce homelessness
- To support independent living
- To provide specialist and adapted homes
- To improve energy efficiency and combat fuel poverty
- To improve neighbourhoods and communities
- To increase housing Investment

The Association has a positive role to play in all of the above.

8.9 Clackmannanshire Council Household Projections and Income

- The household projections to 2037 show a fall in population
- 100 new households will form each year
- Each one of these additional households will be single person or couple, meaning smaller homes are required
- There is a limited supply of new build housing for sale

Outward migration will lead to a reduction in The number of households is set to rise steadily to 26,120 in 2022, which is around an extra 275 new households every year. Of the additional 275 households, 211 of them (77%) are single person households.

In contrast households containing 2+ adults and 1+ children are predicted to decline by around 73 every year.

Median (mid-point) Household Income across Clackmannanshire is around £23,500 with those in the Lower Quartile (lowest 25%) at around £14,100.

Clackmannanshire is an area of low income and 10 of Clackmannanshire's data zones within the areas listed below fall in the 15% most deprived areas in Scotland:

- ✓ Alloa South & East
- ✓ Alloa North
- ✓ Tullibody South
- ✓ Tullibody North & Glen Ochil
- ✓ Sauchie

Alloa South and East remains the most deprived area with 5 data zones found in the 5% most deprived areas in Scotland.

8.10 Fife Local Housing Strategy (2015 – 2020) Priorities

The Association only operates in one of the four housing market areas in Fife – namely Dunfermline & West Fife (and within this only in the West Fife villages). The key housing issues that need to be tackled over the next 5 years are set out below:

- ✓ Prevention of Homelessness
- ✓ Access to Housing
- ✓ Healthy Heating & Poverty
- ✓ Housing Health & Social Care
- ✓ New Housing Supply
- ✓ Private Sector Condition
- ✓ Sustainable Places
- ✓ Home Energy

Some interesting statements from the above publication include:

- ✓ A total of 162,200 households (mid-2013) which represented an increase of 6% over the last decade, the most significant being in 'older smaller' households reflecting Fife's ageing population profile;
- ✓ A projected household increase of 3% over the term of the LHS to an estimated 169,315 households by 2020;
- ✓ Average household incomes slightly below the Scottish average;
- ✓ An estimated 19,361 households were assessed as being in housing need in Fife (base date 31st March 2013);
- ✓ fuel poverty affecting 56,000 (34%) households (8.3) is likely to be the most significant housing issue;

- ✓ an affordable housing supply target of 2,700 homes established through the Fife Council Plan to be achieved from 2012- 2017 (average 540 homes each year) – 180 per annum in Dunfermline and West Fife HMA;
- ✓ The estimates based on the HNDAs suggest a required balance of 55% affordable / 45% market housing. The previous LHS suggested an appropriate balance of 32% affordable / 68% market housing and delivery has averaged at 21% affordable / 79% market housing over the last five years. The increasing need for affordable housing is likely to be linked to the lasting impacts of the recession on the local economy, jobs and household finances;
- ✓ In delivering new affordable housing an increasing balance of the programme should be for one- and two-bedroom homes.
- ✓ Due to its limited activity in Fife the Association only has a role to play in aspects relating to fuel poverty / investment in its existing housing stock.

8.11 Choice Based Lettings

The Association operates a Choice based Lettings System (Homehunt) for its properties in Clackmannanshire. As such, traditional measures of demand for social housing as described by the size of extent of waiting lists are not applicable. Each available property is advertised and people who are registered on Homehunt can apply for the property. The best measure of demand is the number of applications (known within Homehunt as Bids) that each property receives and for 2017/18 the profile was as follows:

✓ Number of properties let through Homehunt	108
✓ Total number of bids	3845
✓ Average bids per property	36
✓ Highest bids for any property (description)	80
✓ Lowest bids per property (description)	7

The Association operates a Common Housing Register (CHR) within Clackmannanshire, with partnerships with the local authority (Clackmannanshire Council) and Paragon Housing Association. This enables each applicant to be registered with each housing provider by making an application to any one of them. There were 2213 applicants registered with the Association as seeking housing in Clackmannanshire at the end of 2017/18.

Within Fife, the Association is a member of the Fife Housing Register, which is a Common Housing Register with all the main social landlords in Fife as members. We do not hold a separate housing register for Fife and all Allocations are made to persons who are registered on FHR.

9.0 30 YEAR PROJECTIONS

9.1 Maintenance Plans

The 30 year projections are reviewed on an annual basis and are used as the basis of the five year financial projections to the Scottish Housing Regulator.

The long term plans are based on a series of assumptions and projections which are reviewed on a regular basis. However the most fundamental element of the financial plans are the maintenance plans and in particular the major component replacements, the costs and the timing of these replacements.

9.2 Condition Surveys

The Association continually carries out a rolling programme of condition surveys across all of its stock through which we can maintain a constant review of our short, medium and long term obligations, particularly in relation to maintaining the **Scottish Housing Quality Standard (SHQS)**, **Energy Efficiency Standard for Social Housing (EESH)** and our planned and cyclical maintenance programs for 30 years.

9.3 30 year Financial Projections

The most recent 30 year plans, May 2018, show that the Association remains viable over the next 30 years and that no cash flow issues arise or additional borrowing requirements are needed. Based on current information and assumptions the Association should remain viable over the next 30 years.

9.4 Summary

In summary, the successful management of the Association's housing assets relies on a prudent approach to financial planning, ensuring that the Association is a viable organisation delivering sustainable, quality housing provision over the next 30 years and beyond, thus protecting the long term interests of its tenants as a whole and the value and condition of its asset base.

8.0 REACTIVE, PLANNED AND CYCLICAL MAINTENANCE

The central aim of the Association's Repairs and Maintenance Policy is to invest in its existing housing stock to ensure that the Association provides the highest standard of accommodation possible. Specifically, these policy objectives contribute to the Asset Management Strategy by maintaining a comprehensive and systematic programme of cyclical painting, planned maintenance and property improvements.

As outlined above, the Association has prepared a 30 year investment programme of planned and cyclical maintenance covering all of its stock. The need for additional unforeseen major repairs is identified as a result of significant damage to a property or properties; through the void property management process; or following routine inspections as part of the cyclical painting or planned maintenance programmes.

8.1 Procurement and Value for Money

The Association has procured a 3 year reactive maintenance contract with a sole contractor for the period 2017-20 to provide all mainstream building services. This contract is assisted by a panel of specialist contractors providing specialist trades such as door entry systems and TV aerial maintenance, and asbestos testing and removal. The Association assesses the qualitative aspects of our reactive maintenance service are also regularly tested through

maintenance satisfaction questionnaires and the three yearly comprehensive tenants' satisfaction survey.

8.2 Voids Management

It is important that properties that become void are re-let as quickly as possible. The processes associated with this are detailed in our Voids Management Policy and Reactive Maintenance Policy.

We also have Lettable Standard which publicly states the standard that properties will be repaired to prior to letting. Our performance in relation to average relet time, along with other Strategic KPI's, is monitored against our targets by the Management Committee on a quarterly basis.

This information is also benchmarked, through membership of the Scottish Housing Network (SHN), against the performance of the other RSLs, and in our annual Charter Report to tenants, published each October, where we compare our performance in the last financial year with a number of other comparable and local RSL's as selected by our Involved Resident's Group.

8.3 Quality of the Environment

The quality of the environment is an important issue for tenants. We have in place arrangements for landscape maintenance including litter collection and landscape maintenance.

In addition, the Association carries out stair cleaning and window cleaning in developments with communal stairs where residents do not do this, and the costs are fully recovered through additional to the rent charges.

However, in the Association's 2016 Tenant Survey, 76% of tenants were satisfied with the management of their neighbourhood by Ochil View, this being a small (-3%) reduction since 2013. Satisfaction levels by area ranged from 70% satisfied in Tullibody NB to a high of 87% satisfied in High Valleyfield. .

The main neighbourhood problems affecting all OVHA stock areas are: parking (41% of tenants say this is a problem in their area); dog fouling (29%); fly tipping/litter (21%) and noisy neighbours (19%). The most significant neighbourhood problems in each main location are:

- ✓ Tullibody NB – parking (63%), dog fouling (31%) and drug/alcohol abuse/selling (25%)
- ✓ Tullibody LSVT - parking (56%), dog fouling (37%) and litter/fly tipping (23%)
- ✓ Sauchie - parking (49%) and noisy neighbours (27%)
- ✓ Alloa – misuse of bins (30%), noisy neighbours (25%) and parking (24%)
- ✓ Other areas - parking (28%), dog fouling (23%) and misuse of bins (24%)
- ✓ High Valleyfield - dog fouling (32%), parking (28%) and litter/fly tipping (24%).

During 2018, the Association will complete an Estate by Estate response to the results of the Survey; it has published an Action Plan setting out its priorities.

Outside their homes, improvements in fencing were the most preferred improvement and the Association has committed £106000 to improve, replace or install fencing at 145 properties in 2017/18, including the provision of fencing at 2 developments which are designed as “open plan” i.e. with no fencing.

8.4 Compliance with Standards

We have cyclical programmes in place to deal with our obligations across a range of service areas so that we meet our legal and contractual obligations as well as high service standards. The details associated with this are as follows:

- ✓ Gas Appliances
- ✓ Legionella
- ✓ Asbestos
- ✓ Electrical Systems and Appliances
- ✓ Lifts

8.5 Customer Intelligence

The Association supports its investment decisions through customer feedback and information.

This assists in reducing the risk that our investment is misdirected and is driven by our 3 yearly comprehensive customer satisfaction surveys and discussions with tenants at our annual Estate Visits and the quarterly meetings of the Involved Resident’s Group.

During 2017-18 the Association has commissioned monthly “Tracker Surveys” to be carried out by an independent Market Research contractor which are focussed on tenant’s experience of the Reactive Repairs service and allow other aspects of tenant’s experience of service to be surveyed at the same time. The Association will use these monthly surveys to “test drive” the questions that will appear in the 2019 whole tenant survey with the aim of minimising any unexpected results.

9.0 LSVT STOCK

In 1998 the Association purchased 584 houses and flats from Scottish Homes. Prior to the transfer through a Purchase Agreement a selective stock condition survey was carried out.

This, together with the life cycle costings analysis determined the transfer value of the stock. The Purchase Agreement specified the level of expenditure required of the Association in terms of planned maintenance investment. This requirement was met and exceeded by the Association. The rolling programme of stock condition surveys has included the LSVT properties, all of which are included within the overall investment program.

Following discussions between the Scottish Government and the Scottish Federation of Housing Associations in relation to the Purchase Agreements/Contracts, it was agreed in 2009 that, subject to consultation with tenants the Association, along with other housing associations with similar purchase agreements, was able to set aside the contract with the authority of the Scottish Government.

This agreement to set aside the contract has enabled the Association to retain all of its receipts from Right to buy sales to invest in the stock, as well as being able to revise the rents and the basis of future rent reviews to bring them into line with the new build stock. These changes have meant that the Association has been able to manage its stock holding and its cash projections on a universal basis with the resultant confidence that objectives of the Asset Management Strategy can be met in relation to the LSVT properties.

As stated above, the Association has 185 units within the LSVT stock which are of non-traditional construction being steel framed properties. These units were exempt from the SHQS as they could not accept cavity fill.

During 2017/18 we have considered costed approaches for external cladding of these properties with insulation (EWI). Our conclusion is that this method of compliance with EESSH is not affordable at current levels of grant support, and may not bring the relevant property to EESSH standard. During 2018/19 we will:

- ✓ Gather EPC certificates to enable a sound assessment of compliance with EESSH and areas of failure and challenge;
- ✓ Identify a technical solution that will enable EESSH non-complaint non-traditional properties to be brought to EESSH standard;
- ✓ Cost an investment program that will enable EESSH properties to be brought to standard by 2020;
- ✓ Establish a funding programme that will make implementation of the technical solution affordable to the Association and its tenants.

10.0 REVIEW

This Strategy will be subject to review annually.

Graeme Wilson
Head of Customer Services

May 2018

POLICY REVIEW CONSULTATION PROCESS

Reviewed by the Management Team	23 rd May 2018
Approved by Management Committee	31 st May 2018
Date of Next Review	May 2019