



**Trafalgar Housing Association Limited**

<b><i>Name of Policy</i></b>	<b>Asset Management Strategy</b>
<b><i>Responsible Officer</i></b>	<b>Property Services Manager</b>
<b><i>Date approved by Management Committee</i></b>	<b>5/10/2022</b>
<b><i>Date of next Review</i></b>	<b>October 2025</b>

**We can produce information, on request, in large print, Braille, tape and on disc. It is also available in other languages.**

**If you need information in any of these formats, please contact us on 0141 952 4676.**

## Contents

Executive Summary .....	3
1. Introduction .....	4
1.2 Strategic Objectives .....	4
1.3 Defining our Assets.....	5
1.4 Defining Sustainability.....	5
1.5 Our Asset Management Plan .....	6
2. CONTEXT – Setting the scene .....	7
2.2 Governance.....	7
2.3 Landlord Responsibilities .....	8
2.4 Charitable Status .....	8
2.5 Housing (Scotland) Acts .....	8
2.6 Scottish Secure Tenancy Agreement.....	8
2.7 Scottish Social Housing Charter.....	9
2.8 Scottish Housing Quality Standard (SHQS) .....	10
2.9 Energy Performance.....	10
2.10 Energy Efficiency Standard for Social Housing (EESH) .....	11
2.11 Other Legislative Requirements .....	11
3. OUR ASSET BASE .....	14
3.1 Stock Condition .....	15
3.2 Storing, using, and maintaining stock information.....	17
3.3 Stock (Asset) Data.....	17
4. OUR APPROACH TO ASSET INVESTMENT .....	18
4.1 Securing Value for Money .....	18
4.2 Responsive Repairs Service .....	19
4.3 Cyclical maintenance and environmental management.....	20
4.4 Planned investment programme .....	20
5. DEMAND MANAGEMENT & SERVICE DELIVERY .....	21
5.1 Staff structure .....	22
5.2 Void management.....	22
5.3 Managing our Factoring Service .....	22
5.4 Disposals.....	23

## Appendices

1. Detailed stock breakdown
2. Glossary

## **Executive Summary**

A critical element of any Registered Social Landlord's performance is the delivery of an efficient, realistic, and coherent Asset Management Strategy. Delivery of the strategy will impact on the core fundamentals of the business including income and expenditure, demand for properties, disposal of assets that are no longer viable, developing new properties and customer satisfaction.

Our Asset Management Strategy allows us to manage the asset base in such a way, that it supports the wider organisational objectives and contributes to the long-term sustainability of the organisation. We base our decision making on sound robust information and remain aware of potential threats that could impact on our delivery of service.

In order to achieve this strategy, the Association must continue to seek out and implement best practice to improve our services and ensure our properties continue to meet (SHQS) Scottish Housing Quality Standard. We must strive to deliver the Energy Efficiency Standards for Social Housing EESSH2, influenced by the Scottish Government's Climate Change (Scotland) Act 2009, reducing the greenhouse gas emissions by 80% by 2050.

Maintenance and major works programmes must be procured to meet legislative and regulatory requirements and deliver best value in line with the Procurement Reform Act 2016, presenting the most economically advantageous tender. The Association will continue to innovate and work in partnership with others to ensure contracts deliver community benefits such as employment opportunities and apprenticeships for local residents. Where possible, the Association will engage with local contractors and suppliers as we recognise the wider benefits this brings to our service delivery. Retaining a high-quality stock profile will ensure demand continues for our properties and as a result income streams are sustained to cover future business needs and investment to fund this strategy.

The Association will continue to work beyond our principal role as Landlord to deliver community-based projects as we recognise the benefits accrued from creating communities and not just building homes.

## **1. Introduction**

### **1.1 Defining our Asset Management Strategy**

Asset Management is a central function to the organisation's vision and objectives set out in the Associations Business Plan.

Asset Management is the process by which we ensure that the assets that we need to operate our business are managed effectively creating a platform from which we can deliver good services to our customers and stakeholders.

Asset Management means optimising the use of assets in terms of service and financial return. This involves careful targeting of resources to where they can have the greatest effect in raising standards, maximising value for money to deliver good quality properties and good customer services.

Effective Asset Management is crucial. Trafalgar Housing Association (THA) recognises that, whilst we have 114 rehabilitated properties and 186 'new build' properties since 1996, we have an ageing stock profile, and we need to plan appropriately to cover maintenance costs effectively. We also live in a society with an ageing population so the needs of our tenants will change as the age profile changes and our stock needs to meet their needs as well as current and future building standards.

This Strategy has been drawn up to complement and inform our Business Plan and Risk Management Strategy.

### **1.2 Strategic Objectives**

THA's strategic objectives for Asset Management are:

- Providing good quality affordable homes to people in housing need and to those requiring care and support
- Maintaining the stock to a standard comparable with that of other market leaders in the RSL sector
- Maximising the use of stock
- Ensuring the stock complies with relevant regulatory requirements such as Scottish Housing Quality Standard (SHQS) and the Energy Efficiency Standard for Social Housing (EESH2).
- Aiming to maintain the continuing demand for our properties and quickly

identify and dispose of stock that may become a liability or a drain on our resources.

- Ensuring tenancy support where practical to enable tenants to sustain their tenancies
- Where practical, ensure resident involvement in any proposals for strategic development, major repairs, and wider role activities
- Ensuring we have the financial, personnel and technological resources to deliver on our Strategy
- Embedding sustainability as a principle in all our activities
- Ensuring we continue to meet statutory requirements in respect of equality & diversity
- Providing a range of homes of different tenures.

### **1.3 Defining our Assets**

Our assets consist of:

- Housing stock we own to support our core business, which is the provision of good quality, affordable accommodation to people in housing need
- Related assets including play area and other common areas
- Skilled staff - the people resource that is in place to ensure that our physical assets are effectively managed and that the required services are offered to customers
- Voluntary Management Committee members who govern the organisation and take strategic decisions to influence the direction and ethos of the Association
- Other assets that support the above such as IT systems and equipment
- Financial strength that underpins the organisation to ensure that we achieve our strategic objectives
- Knowledge base and track record of delivery of good quality housing, tenant support and community projects.

This Asset Management Strategy focuses primarily on our stock & related assets and the environment in which our stock is based, with management of other assets and business objectives being covered in other strategic documents (Business Plan; Internal Management Plan; and Tenant Participation Policy).

### **1.4 Defining Sustainability**

We recognise that the term 'sustainability' has many meanings and will strive to ensure that our actions recognise the diverse nature of sustainability principles, including actions which help to protect the environment, help to support communities, through to actions which help our tenants maintain their tenancies. THA will not just maintain but enhance and increase value to our properties and estates.

## 1.5 Our Asset Management Plan

We set out in this document how we will manage our assets and what steps we need to take to achieve the Strategic Objectives stated at 1.2 above.

Through effective planning, we can challenge ourselves further in our approach to developing, maintaining, and preserving assets, so that we can secure the value of them over the long term, contribute to business development, sustainable communities, and meet the needs and protect the health and well-being of our key stakeholders - the tenants.

This is not a static document; it contains actions that will be subject to regular review to ensure that it remains relevant to the needs of THA and its stakeholders. The development and review of the Plan and the establishment of a specific improvement plan embeds into THA's the 'whole organisation approach' and reiterates, that asset management is not merely a technical matter to do with 'bricks and mortar'.

To achieve our objectives and improvements, the essential information requirements are:

- Our position in respect of meeting SHQS & meeting the Energy Efficiency Standards EESSH2 (Section 2)
- Asset Profile (Section 3)
- Stock Value (Section 3.2)
- Stock Condition Surveys (Section 3.3)
- Planned Maintenance Programme (30 years) (Section 4)
- An evaluation of our stock against housing need and demand now and in the future (Section 5)
- Analysis of current and potential customer needs, now and in the future, including requirements to support tenancy sustainment and adapt stock to meet the needs of an ageing population. (Section 5)
- Addressing future needs – our growth plan (Section 5)
- Estate Management Plans (Section 5)
- Owners and factoring (Section 5)

The context of these elements and our approach to them are described in the sections that follow.

## **2. CONTEXT – Setting the scene**

### **2.1 Regulatory Standards & Expectations**

The following Scottish Housing Regulator's Regulatory Standards are relevant to this Strategy.

#### Standard 1

The governing body leads and directs the RSL to achieve good outcomes for its tenants and other service users.

#### Standard 3

The RSL manages its resources to ensure its financial wellbeing and economic effectiveness. Included in this is the requirement to achieve the right balance between costs and outcomes and ensure the security of assets.

#### Standard 4

The governing body bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation's purpose.

The Scottish Housing Regulator (SHR) expects RSLs to recognise that Asset Management is important and relevant to everyone in the organisation. Senior staff are expected to ensure that the Management Committee understands its responsibilities in this subject so that it is able to make informed decisions about the assets of the organisation.

Equally important is front-line staff involvement in planning and delivering improvements in services which contribute to good asset management.

### **2.2 Governance**

THA's Management Committee has the experience, training, and support to be effective in discharging its role of ensuring good governance of the organisation.

Through an established and regularly reviewed Management Committee structure, remits, reporting standards, agenda planning and timetabling, there is effective monitoring of progress towards achieving our Vision & Purpose (as set out in our Business Plan). As a result, the Management Committee maintains clear control of the strategic direction of the organisation and has a clear picture of ongoing operational performance. This gives our Management Committee complete confidence to sign the Annual Assurance Statement which is submitted to the SHR on an annual basis.

A Key Performance Indicators performance monitoring system forms part of the Internal Management Plan review process. Ongoing review of the Asset Management Strategy Actions is integrated into this reporting process.

### **2.3 Landlord Responsibilities**

As a landlord, THA has a critical role in protecting the physical environment in which its tenants live. Our ability to provide excellent services and quality housing is at the core of what we do. How we manage our assets is at the heart of the success of the organisation and the long-term sustainability of the Association as well as the community we serve.

### **2.4 Charitable Status**

As well as regulation by the SHR, the Management Committee of THA are required as charitable trustees by Office of the Scottish Charity Regulator (OSCR) to:

- Act in the interest of the charity
- Seek, in good faith, to ensure that the charity operates in a manner that is consistent with its objectives and purposes
- Act with the care and diligence that it is reasonable to expect of a person who is managing the affairs of another person
- Ensure that we comply with the Charities and Trustee Investment (Scotland) Act 2005 and other relevant legislation.

### **2.5 Housing (Scotland) Acts**

Our responsibilities as an RSL are set out in the Housing (Scotland) Acts 2001 and 2014. As an RSL, we are required by law to keep properties wind and watertight and 'reasonably fit for human habitation'. We seek to go well beyond this.

### **2.6 Scottish Secure Tenancy Agreement**

Our obligations are set out in our Scottish Secure Tenancy Agreement and include:

- A duty of care to carry out repairs relating to water penetration, rising dampness, and condensation dampness. This duty of repair includes a duty to consider the extent to which the property falls short of the current building regulations by reason of disrepair or sanitary defects
- To keep in repair the structure and exterior of all properties and communal areas
- To keep in repair and proper working order installations that we have provided for space heating, water heating and sanitation and for the supply of water, gas, and electricity
- To publish and inform tenants of their, and the Association's, responsibilities in respect of repairs and maintenance.



## 2.7 Scottish Social Housing Charter

The Housing (Scotland) Act 2010 established the Scottish Social Housing Charter which set standards and outcomes that RSLs are expected to achieve.

Since 2013/14 we have been required to:

- Measure and assess our performance in progressing towards or achieving the Charter outcomes and standards;
- Provide the Scottish Housing Regulator (SHR) with some key performance information on our achievement of the outcomes and standards; and
- Report our performance to our tenants and other service users who use our services.

Of specific relevance to the Asset Management Strategy are the following sections of the Charter:

- Standard 4 - quality of housing
- Outcome 5 - repairs, maintenance, and improvement
- Standard 13 - value for money.

The SHR is not prescriptive on how to involve tenants. However, its regulatory framework requires RSLs to:

- Agree our approach to self-assessment with tenants
- Demonstrate our approach is being implemented
- Produce a statement of how we will involve service users, customers, homeless people, homeowners and hard to reach groups in our self-assessment activities
- Produce annual Assurance Statements.

THA will be assisted by our Residents Panel to ensure that the views of tenants are at the heart of what we do. We also want to provide value for money housing services based on the views of the tenants.

### Key Annual Milestones

- THA submit an Annual Return on the Charter (ARC) to the SHR each financial year
- By the end of August, the SHR will publish information about RSLs' ARCs
- By October THA must produce a report of performance against the Charter for all our tenants, having consulted with our Resident Panel on the content of this report
- In March 2019 the SHR published Regulation Plans and a report on performance of the Scottish Housing Sector.

THA's Tenants' Report is reviewed and published annually. This allows the Association to benchmark against the SHR's published information, Scottish Housing Network (SHN).

## 2.8 Scottish Housing Quality Standard (SHQS)

The Scottish Housing Quality Standard (SQHS), the national standard based on a minimum set of quality measures for all homes in the social rented sector, was announced in 2004. Revised guidelines have subsequently been issued (March 2011).

The five areas of assessment (or 'criteria' to use the SHQS terminology) have 55 elements and 9 sub-elements and are summarised below.

Criteria	Code	Element Number
Must meet the Tolerable Standard (the basic legal minimum standard).	A	1-12
Must be free from serious Disrepair	B	13-30
Must be energy efficient	C	31-35
Must have modern facilities and services	D	36-40
Must be healthy, safe and secure	E	41-55

RSLs had until March 2015 to meet the standard and were required to report to the SHR on performance towards achieving the standard. As of August 2022, THA currently has 3 properties that fail on SHQS due to them not meeting the required 1m<sup>3</sup> storage space for kitchen units; another 2 properties also do not have the required 1m<sup>3</sup>, however as these tenants have installed their own kitchens, these properties are in abeyance. Another 46 properties are in abeyance as the 5 year electrical inspection in their property is overdue. This figure is very 'fluid' as it can change on a daily basis.

## 2.9 Energy Performance

RSLs have been required since January 2009 to produce an Energy Performance Certificate (EPC) detailing the energy performance of any property that is built, sold, or newly rented out. EPCs are provided to new tenants. They detail the rating of the property in relation to Energy Efficiency and Environmental Impact (carbon dioxide emissions from their properties). Each EPC includes effective home improvement measures that will help to save energy, reduce bills, and cut carbon dioxide emissions.

All of our stock has had EPCs carried out and all meet the current EESSH.

## 2.10 Energy Efficiency Standard for Social Housing (EESSH)

The EESSH sets target energy efficiency standards to be met by all social housing properties by 2020. This standard has now been reviewed in line with the Scottish Government's commitment to climate change, and targets have now been set for EESSH2 compliance by 2032, with a review milestone in 2025. The purpose of the EESSH and EESSH2 is to cut carbon emissions in line with the targets set in the Climate Change (Scotland) Act 2009, and to alleviate the impact of fuel poverty by significantly reducing it and the country's carbon footprint. The standards are based on the SAP (Standard Assessment Procedure) rating system used to measure the energy efficiency of a property through energy performance certificates, as this system is already used by social landlords when properties are re-let or being developed across the sector. With EESSH (2020) and beyond EESSH2 (2032) we are actively seeking to improve our baseline data on the energy performance of our stock to inform future investment plans and maximise potential funding opportunities. We are working with different energy providers to look at a range of measures available to assist us in bringing our properties up to EESSH2 standard.

## 2.11 Other Legislative Requirements

The other key legislative and good practice requirements in relation to asset management that RSLs such as THA need to comply with are as follows:

Topic	Legislation /Good Practice	How it impacts on THA
Fire Safety	Fire Safety (Scotland) Act 2005 Amendment to the Housing Scotland Act 2019	THA is required to carry out Fire Risk Assessments for common areas (where required) to properties that it has responsibility for maintaining. Also, provision of interlinked smoke alarms in every property in line with recent legislation.
Asbestos	Health and Safety at Work Act 1974 & The Control of Asbestos Regulations 2006, 2012	Requirement to maintain an asbestos register and inform tenants & contractors of locations of asbestos materials. Follow THA's Asbestos Management Policy.
Gas Safety	Gas Safety (Installation and Use Regulations) Amendment 2018	An annual gas safety check must be carried out on each appliance with a flue to avoid risks of carbon monoxide poisoning. Follow THA's Gas Safety Management Policy and Procedures.

Electrical Safety	The Electrical Equipment (Safety) Regulations 1994 Periodic Inspection of Electrical Installations	Inspection on a ten-year cycle from New Build followed by a five-year cycle thereafter.
Legionella	Health & Safety Executive (HSE)'s Approved Code of Practice L8	Advice given to tenants on website and via newsletters. THA properties are very low risk, however plumbing checks carried out at void. Follow THA's Legionella Policy and Procedures.
General Health and Safety	Health and Safety at Work Act 1974 CDM Regulations 2015	Ensure Health and Safety is managed correctly across all areas. Appointment of Wilson Adrain H&S consultants.
Procurement	European Public Contracts Directive (2004/18/EC)  Procurement Reform Scotland Act 2016	Follow advertising and timescale requirements for larger projects. (For smaller projects there is an expectation from the SHR, reflected in Trafalgar's in-house policies and procedures, to attain value for money when procuring contractors and consultants).  All contracts above £50k advertised on Public Contract Scotland website, following processes set out within the procurement journey that reflect additional sustainability and community benefit duties.
Tenancy Rights	Housing (Scotland ) Act 2001	Introduced the Right to Repair for tenants.
	Housing (Scotland) Act 2014	This covers a wide range of matters mostly relating to the regulation of the private rented sector but included HMO licensing.

	The Housing (Scotland) Act 1987	(Fire Safety) Amendment to include <ul style="list-style-type: none"> <li>• Have at least one smoke alarm installed in the room most frequently used</li> <li>• Have at least one smoke alarm in spaces such as hallways and landings</li> <li>• Have at least one heat alarm within every kitchen</li> <li>• Have one carbon monoxide detector</li> </ul>
	Tenements (Scotland) Act 2004	Covers all aspects of tenement repairs/ maintenance, costs, insurance, and amendments to title conditions. Majority decision making for repairs and other tenement shared responsibilities.
	Property Factors (Scotland) Act 2011	Introduced a register of property factors; it is an offence not to be registered. Resolution of disputes between homeowners and property factors.
	The Building (Scotland) Amendment Regulations 2011	Changes to building standards in relation to energy efficiency and carbon emissions.
	Building (Miscellaneous Amendments) (Scotland) Regulations 2013	Carbon monoxide monitors and other changes to regulations.

### 3. OUR ASSET BASE

#### Our Asset Base

Trafalgar Housing Association has just over 300 properties all based in Clydebank. The properties are split between the Dalmuir area and Radnor Park area of Clydebank, and comprise of tenement flats, cottage flats and terraced houses. All of our properties have been either newly built or renovated between 1993 and 2003, and some have been adapted to accommodate wheelchair users.

#### Stock as of August 2022

Area	Mainstream	Adapted	Totals
Trafalgar Street	130	3	133
Dumbarton Road	78	1	79
Windsor Crescent	8	0	8
West Thomson Street	9	0	9
Spencer Street	31	1	32
Crown Avenue	25	0	25
Singer Street	9	0	9
Windsor Crescent Lane	6	0	6

#### Other Assets

Other assets include play areas and common areas. We have 2 shared ownership properties and, although the owners are 100% responsible for the maintenance of their properties, where appropriate, we will include them in or offer them the opportunity to participate in any planned maintenance works, to preserve the properties and protect our investment interest in their homes.

We also provide a factoring service for 6 owners (as at 31 March 2022) who have properties in estates or buildings that we own.

#### Stock Funding Strategy

THA can demonstrate in its 30-year financial projections, taking full account of planned maintenance requirements for its assets, risk assessments and development ambitions, that it is a financially viable organisation.

The Management Committee receives an annual Treasury Management Report as well as the annual Loan Portfolio Return which is submitted to the SHR. Any additional lending requirements are subject to detailed reporting and scrutiny by the Management Committee.

The Association is on a sound financial footing to take forward its maintenance investment programmes.

### 3.1 Stock Condition

#### 3.1.1 Stock Condition Surveys

We have commissioned Brown and Wallace to carry out stock condition surveys.

The surveys assist us in:

1. Clarifying the condition of the stock relative to the SHQS and the EESSH criteria.
2. Identifying any failures or new failures under SHQS criteria.
3. Providing energy efficiency ratings for the stock.
4. Being proactive by identifying reactive repairs that have not been reported by the tenant.
5. Reviewing the five and 30 - year planned maintenance programmes and cash flow projections.

All of the above is done in the context of ensuring that all Trafalgar's stock meets the SHQS standard and is maintained, **as a minimum**, at that level. The findings of the surveys are used to review and update the life cycle costing and investment projections.

We use survey information to inform our future maintenance planning and to determine our ability to meet the standards we aim to achieve. This approach has also helped to maintain efficient turnaround of void properties with a steady bank of EPCs being built up to assist with ARC reporting for EESSH.

Recognition of the life cycles across the entire range of building elements and maintaining a regular cycle of inspection allows us to refine our data and projections to facilitate more accurate reporting and forecasting over time. In order that THA continues to hold relevant and robust data on its stock, we are carrying out a phased inspection of properties aiming to achieve 20% per annum, thereby all stock will be inspected every 5 years. During 2021-22 we completed 15% surveys of our stock. During July 2022 and August 2022 we are completing a further 15% (45 properties) surveys of our stock.

This will help us to ensure that our stock and programme of planned works continues to align to the SHQS and EESSH.

As and when surveys are complete, the information will be updated on the database, and programmes of work adapted accordingly.

<b>SHQS Criteria</b>	<b>Sub-heading</b>	<b>Findings from SHQS stock condition surveys</b>
A. Must meet the Tolerable Standard (the basic legal minimum standard).		No properties were found to fail these criteria
B. Must be free from serious disrepair	Primary Building Elements	No properties were found to fail these criteria
	Secondary Building Elements	No properties were found to fail these criteria
C. Must be energy efficient		No properties were found to fail these criteria
D. Must have modern facilities and services		3 properties were found to fail where they didn't have 1m <sup>3</sup> storage space in the kitchen. These kitchens are due for replacement August 2022 – October 2022.
E. Must be healthy, safe, and secure		No properties were found to fail these criteria



## **3.2 Storing, using, and maintaining stock information**

### Information Management

It is vitally important that we know our stock, maintain information correctly and make use of the information to fulfil a key objective of this Asset Management Strategy: making best use of our assets.

Proper information management and use of the technology available to us is essential for all aspects of our business and, in the case of Asset Management, to achieve:

- a) Confidence that our stock data/property data is accurate, kept up to date and is maintained that way through audit checks by an external a third party.
- b) Better customer satisfaction in respect of ease of repair reporting; having repairs completed 'right first time'; providing information about planned maintenance programmes; quickly resolving issues arising out of repairs and maintenance services; reduced complaints reporting
- c) Better access to information about our stock and more easily to analyse data; report on performance; identify issues such as trends in component failures; regularly review and provide information to others as relevant (e.g., finance section, Customer Services Team; customers, SHR, local authorities, etc.) on investment programmes, actual costs vs budgets, longer term spend projections/programmes, component accounting requirements, etc.
- d) Improved responsiveness to changes in standards imposed by legislation and good practice (e.g., Building Regulations, SHQS, EESSH) and any associated complex calculations required to identify actions required.
- e) Accurate completion of the ARC return
- f) Improved efficiencies in working methods – thereby freeing up staff resources to provide better, customer focussed, services
- g) Maximise funding opportunities for renewables and new technology.

It is critical to our success that the information we have is accurate, up-to-date, and accessible. It is also vital in terms of good governance that the Management Committee has assurances that we are working from accurate data.

## **3.3 Stock (Asset) Data**

SDM currently holds information held on a variety of formats as outlined below.

Firstly, THA uses the computerised Property Maintenance software, SDM for the following:

1. A property register, enabling the accumulation of comprehensive records of all units either owned or managed by the Association
2. A repair record for each dwelling and common property
3. A system to record all repair requests, maintenance works instructed, completion dates etc.

4. A record of service and cyclical maintenance history and a record of the next due service/maintenance
5. A record of major repair/ planned maintenance history and a record of the next due component replacement
6. Details of tenant satisfaction surveys
7. Details of inspections carried out
8. Rechargeable repairs
9. Insurance claims.

Secondly, separate databases are used to record and process rechargeable repairs, factoring invoices, and insurance claims.

Further, an Excel spreadsheet is maintained and specifically designed to track progress in relation to SHQS and now ESSH. A separate set of interconnected spreadsheets are used to monitor Life Cycle Costings for each phase of stock. For accounting purposes, a further excel spreadsheet is used to assist with depreciation calculations. Finally, an excel spreadsheet is used to record and process rechargeable repairs and factoring invoices.

## 4. OUR APPROACH TO ASSET INVESTMENT

### 4.1 Securing Value for Money

We acknowledge that our main source of income, namely rental income from our stock is finite and it is therefore vital that we secure value for money for the investment that we make. It is also critical that we protect the investment already made.

The objectives in this Strategy are based on the principle that we have a clear understanding of the nature, number, value and condition of our stock as well as the legislative and good practice obligations on us as an RSL. We segment our approach to investment in the stock through the following:

- a responsive repairs service and void management service
- a cyclical maintenance programme

Our estimated planned investment over the coming five years is as follows:

	2022/23	2023/24	2024/25	2025/26	2026/27
<b>Planned/Major Maintenance</b>	198,829	5,849	103,760	14,977	39,151
<b>Responsive Repairs including voids</b>	126,000	135,300	151,290	155,072	158,949
<b>Cyclical Maintenance</b>	55,450	48,324	58,257	50,771	61,206

<b>Medical Adaptations (Grant Funded)</b>	20,000	20,000	20,000	20,000	20,000
<b>Total</b>	400,279	209,473	333,307	240,820	279,306

## 4.2 Responsive Repairs Service

It is recognised that day to day repairs is essentially reactive, curative and demand driven, arising from reports by tenants and issues noted by staff during the stock/void inspection process. We categorise reactive repairs as follows and set ourselves target timescales for completions.

<b>Category of reactive repair</b>	<b>Target timescales</b>	<b>Brief description</b>
Emergency	Make safe in 4 hours	Where there is risk to life or property
Urgent	1 day	These are repairs that cause considerable inconvenience to the tenant and also fall under the 1 day qualifying repair category
Routine	6 days	Repairs of a minor nature which can be dealt with without serious inconvenience to the tenant or have any adverse effects on the property.
Right to repair	Various timescales ranging from 1 day to 7 days for different types of repairs	Timescales fixed by statute – Housing (Scotland) Act 2001

The following tables detail our performance relative to the targets that we set ourselves and show our positive results when benchmarked against our peers.

***THA performance: NB the statistics for urgent and routine are combined as this is how it is reported in the ARC.***

Category	2019/20	2020/21	2021/2022	THA Target	2021/22 Scottish Average
<b>Emergency (Includes Right To Repair) Hours</b>	1.23hrs	2.8hrs	2.02hrs	4hrs	4.2hrs
<b>Non-Emergency (Routine &amp; Urgent) Days</b>	3.44 days	4 days	3.8 days	6 days	6.7 days

The Association has procured contracts in the following areas to deliver the responsive services, these contracts will be further tendered in the coming years to ensure value for money and service delivery

- 3-star Gas servicing and plumbing maintenance contract

We aim to post inspect a minimum of 10% sample of completed works.

Performance of the Contractors is monitored at monthly meetings and reported on via regular reports to the Management Committee together with tenant satisfaction with the Responsive Repairs Service.

#### **4.3 Cyclical maintenance and environmental management**

An annual cyclical maintenance programme takes place as follows to ensure the safety of our residents and the appearance of the local environment:

- Gas safety checks (including third party quality audit checks)
- Close cleaning
- Landscape maintenance
- Gutter cleaning
- Additionally, at 10 years from new build then 5-year intervals, each unit of stock undergoes an electrical safety inspection.

#### **4.4 Planned investment programme**

The current programme of planned maintenance is directly linked to our stock condition surveys undertaken by Brown and Wallace and verified on an annual basis by senior staff. The stock is assessed across the entire range of building elements and the resulting 30-Year Life Cycle Costing.

The programme of major repairs is reviewed each year in order that the Association can assess, which components in which areas of stock require to be prioritised for

replacement.

While the 30-year projections are a useful planning tool and allow a longer-term planning of investment requirements, in reality, we tend to focus on a 5 year rolling programme. The projections are reviewed to identify what major investment is planned for the coming year, 5 years and 10 years. Analysis of reactive maintenance is undertaken to establish if there are any elements in any phase of our stock that require to be brought forward in the plan to achieve better value for money.

On an annual basis the projections are reviewed and updated. The process is as follows:

1. Projections are reviewed to identify what major investment is planned for the coming year/ 5 years. Consideration is given to any recent SHQS surveys.
2. Review of the component takes place to establish if the work is necessary or if it can be stretched into a later year on the plan.
3. Analysis of reactive maintenance is undertaken to establish if there are any elements in any phase that require to be brought forward in the plan to achieve better value for money due to significant deterioration/ increasing levels of repair requests via the reactive service.
4. Consideration is given to any new or impending legislative or good practice issues that may influence the plan. For example, in October 2018 consultation on new legislation took place with Social Housing Providers on the implementation of new fire safety measures within social housing stock which came into force in February 2019 with a two-year window to comply by 2021.
5. Finally, the planned investment for the coming year and five years, is fed into the Association's budgeting process and consideration is given to funding options, and the anticipated impact of completing the work or postponing it.

## **5. DEMAND MANAGEMENT & SERVICE DELIVERY**

It is not solely information about the physical characteristics of our stock that informs our Asset Management Strategy. A key risk is whether our property will remain in high demand and fit for purpose in the future.

A vital aspect of the 'whole organisation approach' to asset management is therefore the way in which the needs of current and potential customers are understood and integrated into the strategic and operational direction of the organisation.

Apart from having a supply of high quality and high demand housing stock, we have developed robust support mechanisms to enable our customers to sustain their tenancies in the long-term.

Our sound housing management practices in relation to allocations, tenancy

management, voids, and estate management support this 'whole organisation approach'.

## **5.1 Staff structure**

One facet of our Asset Management Strategy is the staff resource to manage the stock and deliver a quality service to our customers.

We aim to be an employer of choice and ensure that we go beyond best practice to protect our staff as an organisational asset. As members of Employers in Voluntary Housing (EVH), we ensure pay and conditions contribute to this and balance the need for a strong and motivated workforce with our organisational priorities.

We are committed to continuous improvement in our business development and support to staff.

Knowledge and skills are shared and developed at THA, backed up by our commitment to learning & personal development. This is done through internal and external training and regular staff briefing sessions and staff meetings. Further, all our policies are reviewed on a regular basis and now contained within a policy register. Procedures are developed as and when required. Policies and procedures are regularly reviewed to support staff in the deployment of the strategic and operational objectives. Staff appraisals and regular support and performance meetings identify any learning & personal development needs of staff, and these are collated into a Training Plan which informs budget setting to ensure adequate resources are set aside to meet identified needs.

## **5.2 Void management**

We aim to carry out any necessary repairs to homes which have become vacant promptly and quickly. This is key to minimising void repair periods.

THA has an excellent track record in property management; however, shortened turnaround times do not necessarily mean that we are turning around voids in the most cost-effective fashion and achieving excellent customer satisfaction.

Efficient allocations, offering of decoration allowances, and the condition of the property, can all help to minimise the number of refusals, which in turn helps achieve sustainable communities, effective estate management and reduces anti-social behaviour problems. We generally carry out all repairs prior to a tenancy commencing, but on occasions will carry out follow up work after the new tenant has moved in. In 100% of cases, we follow up with a settling in visit within 6 weeks after tenancy commencement.

## **5.3 Managing our Factoring Service**

As factors for 6 properties and 2 sharing owners, we have different issues to address in relation to managing shared/common assets.

We are registered as a Factor in accordance with the Property Factors (Scotland) Act 2011. In accordance with the Code of Conduct for Property Factors, we are obliged to issue a statement of services to all factored customers and among other things, this sets out the maintenance service we will provide including: common area insurance, property insurance, making customers aware of how they can communicate with us and if necessary, make a complaint.

#### **5.4 Disposals**

Occasionally it may not be economically practical to let properties that present significant management difficulties.

In these circumstances the Association will take cognisance of things like reputational risk, financial stability and may ultimately decide to dispose of such properties via:

- Sale and/or Voluntary Disposal
- Engaging local RSLs/ Local Authorities in stock transfer
- Demolition

All stock considered for disposal will go through a detailed assessment by the Finance Agent and Property Services Manager demonstrating the options explored and presenting such findings to the Management Committee.

Where disposal is considered, we will ensure that permission is approved by the Management Committee.

## **Appendix 2: Glossary**

<b>AMS</b>	Asset Management Strategy
<b>THA</b>	Trafalgar Housing Association
<b>CDM</b>	Construction, Design, Management (Regulations)
<b>ARC</b>	Annual Return on the Charter
<b>SHQS</b>	Scottish Housing Quality Standard
<b>EESH</b>	Energy Efficiency Standard for Social Housing
<b>SSHC</b>	Scottish Social Housing Charter
<b>EPC</b>	Energy Performance Certificate
<b>RSL</b>	Registered Social Landlord
<b>SDM</b>	THA's Housing Software Package Provider
<b>Wider Role</b>	Scottish Government strategy to encourage RSL's to deliver community regeneration projects
<b>SHN</b>	Scottish Housing Network
<b>SMART</b>	Specific, Measurable, Achievable, Realistic and Time bound
<b>WDC</b>	West Dunbartonshire Council