

1.0 PURPOSE

- 1.1 Glasgow West Housing Association's (GWHA) Asset Management Strategy (AMS) sets out the priorities for ensuring the physical care and improvement of GWHA property assets, taking account of changing needs and future requirements. It complements and informs the corporate strategy; it is influenced by the housing needs and demand analysis; it operates in conjunction with the financial plan and development, procurement and energy efficiency strategies; and it is delivered via a series of actions, indicators and initiatives.
- 1.2 In the context of the identified risks, it is expected that this strategy will be incrementally progressed to allow for a changing environment and funding constraints. It is also dependent on community support, in particular from owners in mixed tenure developments.

2.0 AIMS

- 2.1 The AMS aims to ensure GWHA's resources are effectively managed and directed to derive maximum benefit to:
- 2.1.1 Keep property assets in good condition in cost effective ways.
 - 2.1.2 Meet, and where practical exceed the minimum standards for housing as outlined in the Scottish Housing Quality Standard (SHQS).
 - 2.1.3 Bring properties up to the GWHA standard and in line with current and projected customer expectations and demand.
 - 2.1.4 Ensure maintenance, improvement and capital works comply with current and prospective regulations.
 - 2.1.5 Provide a balance between capital investment, response and cyclical repairs.
 - 2.1.6 Reflect local diversity in its approach
 - 2.1.7 Provide links to marketing, lettings, funding streams, stock renewal and disposals strategies.
 - 2.1.8 Modernise and/or remodel the stock profile to reflect changing needs.
 - 2.1.9 Work towards achieving the Energy Efficiency Standard for Social Housing
 - 2.1.10 Address sustainability.

3.0 ASSET PROFILE

- 3.1 GWHA operates within a mature set of inner city neighbourhoods in the West of Glasgow. The majority of the housing stock is 2 apartment in size and, apart from the multi-storey and deck access flats in Anderston and Hyndland, tenure is largely invisible. Right to Buy (RTB) ended in Scotland on 31 July 2016 but the impact still affects the stock profile and tenure mix. The housing stock profile is consistent with the Scottish Social Housing Charter (SSHC) definitions.

	Houses	High Rise	Tenement	Other Flats/ Maisonette	Total
Pre-1919	-	-	509	67	576
1919-1944	-	-	11	-	11
1945-1964	-	-	-	123	123
1965-1982	-	317	-	223	540
1983-2002	2	19	137	28	186
Post 2002	-	36	16	-	52
	2	372	673	441	1,488

- 3.2 In addition to the housing units, the office premises at 5 Royal Crescent is owned outright; as are a small number of commercial premises in the Anderston area. Three community concierge stations were acquired through the Hyndland and Argyle Second Stage Transfer (2ST). A number of GWHA housing developments benefit from car parking, lock-up and garage facilities.
- 3.3 Since the refurbishment of the traditional sandstone tenements during the 1980s, most internal components have been replaced at least once. Key challenges, particularly in multi tenure properties, include sandstone

corrosion (as a result of the use of Linostone in sandstone repairs) along with the usability of the backcourts, accessibility to bin stores and lack of recycling opportunities. Some earlier projects were patch and repair schemes rather than comprehensive tenemental improvement schemes, resulting in greater deterioration, reflecting the lifespan of components.

- 3.4 With few gap sites available, and development opportunities scarce, the potential for growth through development is limited, and comprehensive forecasting, business planning, scenario sensitivity analysis and stress testing are key tools in the consideration of growth and new projects. The remodelling of three properties will deliver 8 supported bedspaces and two self-contained flats (one wheelchair and one general needs) in 2019, and plans are well advanced for a site start in Dover Street: a development that will deliver 55 houses for rent in 2021. Pipeline projects at Corunna Street and Burnbank House (a partnership with Queens Cross Housing Association) will be subject to a framework of high level scrutiny and validation ensuring appropriate controls and decisions taken in the context of GWHAs strategic principles.
- 3.5 Ad-hoc opportunities to acquire properties via shared equity buy-back, mortgage to rent schemes or on the open-market, are progressed where resources permit and where value for money is clearly evidenced. The Acquisitions and Disposals framework outlines the principles for considering such opportunities.

4.0 SUSTAINABILITY

- 4.1 The areas in which GWHAs operate have a reasonably stable population. Turnover in traditional tenemental stock is low, with the high demand for this stock placing an increasing strain on GWHAs limited resources. Conversely, there are some sustainment challenges and opportunities in the non 2ST stock. These housing trends, demonstrated in the Housing Needs Analysis and in the review of the Housing Allocations Policy (HAP), inform the annual projects appraisal and the bid for adaptation funding to help those residents who wish to continue to live independently in their homes.
- 4.2 Sustainability is crucial to successful asset management, with the quality of a neighbourhood at least as important to residents as the physical building itself. These more qualitative themes are considered via the Anti-Poverty and a Community Sustainment strategy which was further developed in January 2019 to reflect previously agreed principles.
- 4.3 The efficient management of empty properties for re-let is directed by the Void Management Strategy reviewed in November 2018, with effective inter-team working, sound procedures and clearly defined standards focussing on the re-let of properties at the earliest opportunity and with minimal rent loss. Plans for the procurement of void works via a partnership arrangement is scheduled for Q1 2020 with the aim of reducing void times and void expenditure.
- 4.4 Communal services such as stair cleaning, garden and back-court maintenance ensure high standards of maintenance throughout the area, with residents encouraged to work together to enhance these standards through a range of community sustainment initiatives including an annual Good Close/Garden Competition and Garden Grants initiatives. The retendering of environmental and stair cleaning services contracts in 2019/20 will ensure high quality, value for money services that reflect resident feedback; and this will complement improved waste management services delivered in partnership with the Local Authority, and our plans for enhancing the back-court areas.
- 4.5 Demand for GWHAs commercial properties is less consistent than that of the housing stock, and is influenced to a large extent by external market forces and economic volatility. Innovative strategies and initiatives that aim to maximise occupation of these units are in place and are subject to ongoing review. The commercial unit in the Dover Street new build is earmarked for outright sale on the open market, subject to review Q4 2019/20 to reflect the significant regeneration of the Anderston/Finnieston area in the last five years and in particular the popularity of the SSE Hydro.
- 4.6 In the unlikely event of a significant decline in demand for the Association's property assets, or where high levels expenditure are evident, options appraisals will be initiated with the aim of exploring remodelling, refurbishment, or in extreme cases (and with the relevant consents) disposal. An options appraisal for one development due to deficient external wall insulation will be completed in November 2019.

5.0 STOCK CONDITION

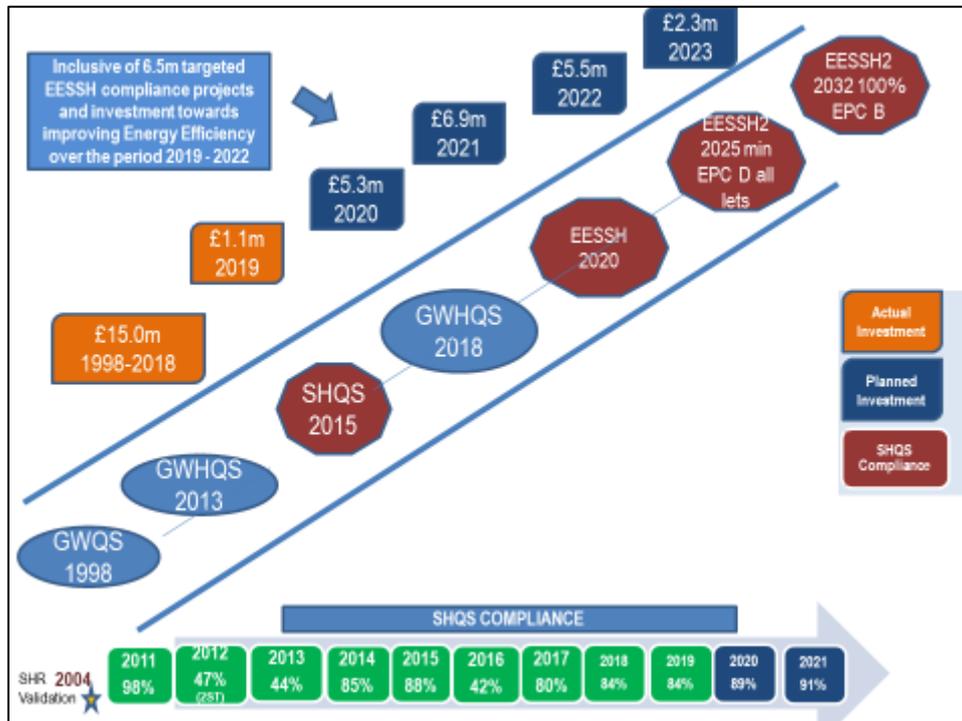
5.1 Scottish Housing Quality Standard (SHQS)

Of significance to GWHA’s AMS is the SHQS. With ambitious works programmes and substantial investment, an SHQS pass rate of 91% will be achieved by 2020, 97% including exceptions and abeyances. The aim is for 100% compliance (excluding exemptions and abeyances) by 2021, subject to ongoing stock condition surveys and fabric condition. The key challenges for SHQS compliance include owner participation in common works; meeting energy efficiency standards, stonework repairs and gaining access to carry out stock condition surveys and improvement works.

5.2 Energy Efficiency

5.2.1 In 2012 the Scottish Government (SG) launched the Energy Efficiency Standard for Social Housing (EESSH) in conjunction with the energy targets in the SHQS. In May 2018 SG produced a route map towards an Energy Efficient Scotland including the EESSH2 which reflects the ambition of the SG to achieve a 70% emissions reduction by 2030, 90% by 2040 and net zero emissions by 2032. The first target for EESSH2 is that no social housing should be re-let below EPC D, subject to specific exemptions, from 31 December 2025. Independent assessment and appropriate cloning of intelligence from Energy Performance Certificates (EPCs) will continue to inform property inspections towards prudent EESSH investment to 2024.

5.2.2 At 31 March 2019, GWHA compliance with EESSH1 was 58% with a forecast improvement to 72% by 2020 and 90% by 2024. GWHA strategy is to increase building performance so far as technically possible through targeted investment in stock to increase energy performance. For properties identified as technical exemptions, GWHA will progress energy efficiency as far as possible, however, compliance may be unaffordable and, depending on the SG’s expectations for social landlords, it may be that the MC will be required to consider disposals in line with the acquisitions and disposal framework, and subject to relevant consents. The GWHA Energy Efficiency Strategy details the measures in place to optimise compliance with EESSH2.



5.3 Stock Condition Surveys

5.3.1 Stock Condition Surveys are utilised for the collection of crucial data about the building elements and are the basis from which GWHA maintenance programmes are developed. The Stock Condition Survey Register is reviewed annually resulting in an agreed plan of visits for the year (around 275 visits per annum). At 31/03/19

stock surveys had been carried out to 33% of all properties in the last 4 years, with renewed efforts to meet the GWhA PI of 50%.

- 5.3.2 This information is used to help inform investment strategies and programmes of work for the following years. Any reactive repairs identified during the surveys are progressed in line with policy.

6.0 PROPERTY INVESTMENT

A key element of the AMS is the need to incorporate and absorb the significant resource requirements to achieve stock improvements. In addition to the annual projected spend of £2M on response and cyclical maintenance, GWhA has an ambitious 5 year investment programme averaging £4.3m p/a as outlined in Appendix 1. This is subject to ongoing review and progress against the programme reported to the MC.

6.1 Major Repairs

- 6.1.1 GWhA currently operates a major component replacement programme which covers kitchens, bathrooms, windows, heating systems and roofs. Components are replaced in the following cycle:

Heating Systems	15 years
Kitchens	15 years
Bathrooms	20 years
Windows	25 years

- 6.1.2 A fully resourced major repairs strategy has been developed from stock surveys and life cycle costing data. The outcome of which are rolling 5-year maintenance programmes with investment averaging around £3.6 million per year for 2019/20-2023/24. This programme covers kitchen and bathroom replacements, central heating systems, window replacements and hard-wired smoke detectors.
- 6.1.3 Elemental life cycle costing will continue to drive decisions in terms of the most appropriate and cost effective components to be used in the housing stock (e.g. uPVC or timber windows), always taking into account statutory restrictions. This will be incorporated into a regular review of component specifications, which will include customer feedback through end of project reviews.

6.2 Reactive Repairs

- 6.2.1 Providing a quality and responsive repairs service is a high priority for GWhA and is determined as a major factor in overall resident satisfaction. In 2018/19, 5101 reactive repairs were processed, which is fairly consistent with trends in previous years. Targets of 6 hours for Emergencies, 3 days for Urgent and 10 days for Routine repairs are in place and an average of 96.9% of repairs met these targets in 2018/19.
- 6.2.2 To ensure high quality work, and value for money, a minimum of 3% of jobs are pre and post inspected. Quality controls have been developed to ensure that response times continue to improve. In addition to reactive repairs, comprehensive major repairs and cyclical programmes are undertaken to preserve the life of the housing stock and ensure good quality accommodation continues to be available for GWhA households.
- 6.2.3 The re-procurement of the responsive repairs service is progressing with plans for the launch of a new service Q4 2019/20. The procurement specification was based on extensive stakeholder engagement in 2018, facilitated by independent consultants, and aims is to increase efficiency, reduce repairs spend and increase tenant satisfaction through the introduction of an appointment system and more repairs with a first time fix.

6.3 Cyclical Maintenance

- 6.3.1 GWhA has a 10 year cyclical maintenance strategy, running from 2018/19 – 2027/28, that was agreed by Management Committee in March 2018 with a forecast spend of £4.1M over 5 years.
- 6.3.2 Cyclical maintenance requirements include annual gas servicing, close painting, electrical checks, lift maintenance and roof inspections; as well as the inspection and maintenance of CCTV systems, protective roof netting and fire extinguishers.
- 6.3.3 For painter work the strategy and associated budget encompasses common decoration only, however the scope for extending the contract to incorporate external window painting of GWhA properties (and with option to extend to owner occupiers) will also be explored.

6.4 Health & Safety

6.4.1 Robust housekeeping processes, close monitoring and reporting and independent 2-yearly assessments reflect the priority attached to health and safety.

6.4.2 Annual Gas Servicing

6.4.2.1 Annual gas servicing is carried out on a ten month cycle and GWHA ensures a new CP12 (Gas Safety Certificate) is issued by a qualified engineer every year for all homes with gas systems. The management of these services is detailed in the Annual Gas Servicing Policy which was most recently revised following audit in April 2018.

6.4.2.2 In 2019/20 gas safety inspection services were retendered resulting in efficiency savings with the new contractor in place from October 2019.

6.4.3 Asbestos Management

6.4.3.1 GWHA ensured compliance with the Control of Asbestos at Work Regulations 2002 (introduced in 2004), through an independent comprehensive asbestos audit, carried out in March 2003. This recorded 100% compliance (i.e. there is no "asbestos containing materials (ACM)") within the general pre-transfer housing stock, and alerted a low risk incident (cement: external pipe work) at the office premises. There is an Asbestos Register, plan and ACM notifications to contain this risk.

6.4.3.2 Subsequent surveys of both common areas and sample houses, in 2009 to the Hyndland stock, and in 2011 to the Argyle stock, identified presence of asbestos (e.g. hall cupboards/ceilings, common areas), and comprehensive monitoring arrangements, including information sharing with Contractors, ensure residents and GWHA agents are informed as necessary. A systems review in 2012 ensured full alignment with Asbestos Risk Register; providing an overview of risk levels, mitigation and 100% compliance for the combined stock. The GWHA Asbestos Management Plan was reviewed in 2019 to ensure continued compliance with the Approved Code of Practice. All asbestos removal is undertaken by accredited removal companies.

6.4.4 Legionella Management

6.4.4.1 Management procedures ensure that risk assessments, water hygiene regimes, and upgrade works and inspections are carried out to prevent the possibility of Legionella growth in standing water etc. supplies. Water tanks in the Hyndland stock, identified as non-compliant with water bye-laws, were drained down during the extensive refurbishment works in 2009/10, with the affected properties now converted to mains supply. A review of the Legionella plan in November 2019 will include a risk assessment and mitigation plan for every water system in GWHA properties.

6.4.5 Fire Safety

6.4.5.1 Alert to changes to the "Tolerable Standard" which has been amended by the Housing (Scotland) Act 1987 (Tolerable Standard) Extension of Criterion) Order 2019 to include new elements covering smoke, heat and carbon monoxide detection; GWHA has set out plans to enhance protection and safety; reduce the risk of loss of life, injury and damage to property in the event of fire. GWHA set out plans to meet the requirements to fit linked smoke/heat detectors plus CO detectors by February 2021 in June 2019¹.

6.4.5.2 A comprehensive fire safety plan will be reviewed by the MC in November 2019. High, medium and low priority fire safety risks from existing Fire Risk Assessments are actioned through response repairs on an ongoing basis.

6.5 Void Management

6.5.1 Void rental loss, re-let times and repair costs are effectively managed through a robust Void Management Strategy and ensure the efficient use of housing stock, whilst also ensuring that the lives of people in adjacent properties are not unduly affected by empty homes. Procurement of the void repairs service is planned for Q1 2020.

¹ MC 18/6/19

6.6 Adaptations to housing stock

- 6.6.1 GWHA is aware of the importance of stock that can meet the changing needs of tenants. GWHA has a Stage III Adaptations budget and policy which guides the process from receiving requests for adaptations to organising the works.
- 6.6.2 The needs of the household will be assessed against the capacity for the property to meet their long term needs. A full options appraisal is conducted with the household including the option of moving to more suitable property before any work is undertaken.

7.0 PROCUREMENT STRATEGY

- 7.1 The Procurement Strategy was updated in 2016 to ensure compliance with the requirements of the Procurement Reform (Scotland) Act 2014 and provides a clear vision for procurement towards 2020. Participation in the Procurement Improvement Programme in 2019 provided an external audit, validation and learning to inform our journey towards 100% value for money by 2020.
- 7.2 There is an ambitious procurement activity plan in place involving c£25m in contracts for delivery over a 5 year period and is paced to reflect compliance priorities (SHQS, EESSH and health & safety) and tenant priorities (response repairs and estate management).

8.0 RESIDENT INVOLVEMENT

- 8.1 Residents are actively encouraged to participate in GWHA's services and activities with genuine opportunities available throughout the year for residents to provide feedback and influence decisions. The Service Engagement Strategy and Communications Strategy outline the methods in place for achieving this. The Annual Tenant Conference (ATC), in particular, provides a forum for tenant consultation on the investment programme and the delivery of maintenance services. This consultation with tenants directly informs the AMS and assists in refining works programmes; in recent years tenants have contributed to decisions relating to the investment programme and how GWHA provide the response repairs service.
- 8.2 Recognising the value of forward planning, and the requirement for factored owners to participate in improvement programmes, a home owners' conference was introduced in 2016 through our property factoring subsidiary, Glasgow West Enterprises. This forum provides a platform for home owners to contribute their views and ideas to the delivery of our communal repairs and maintenance services, with this valuable feedback optimising partnership working and influencing the delivery of investment works in our mixed tenure developments.
- 8.3 Regular feedback on our repairs service is sought via face to face interviews by an independent surveyor. Property services issues raised through these surveys is responded to in accordance with GWHA policy. At the end of select major repairs projects tenants are surveyed, by GWHA, about their satisfaction with the work.
- 8.4 Through the Service Engagement Strategy, other engagement measures will be explored including the extended use of online surveys and the practicality of consumer and scrutiny panels in setting strategic asset management direction.

9.0 REVIEW

- 9.1 This strategy will be reviewed every 5 years, or sooner, subject to a change in legislation or circumstance.

10.0 AUTHORITY

- 10.1 The Management Committee has overall responsibility for the development and review of this strategy.
- 10.2 Authority is delegated to the Chief Executive to ensure that the strategy is implemented and that risk is managed effectively and proportionately.