



Policy:	Asset Management Strategy
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Technical Services

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1. Introduction

Provanhall Housing Association (PHA) is a community based not-for-profit organisation located in the Provanhall area of Easterhouse. The Association is run by an elected and voluntary Management Committee. Policies of the Association are agreed and approved by the Management Committee with the implementation of these policies the responsibility of staff.

Asset Management is a range of activities undertaken to ensure the housing stock meets the required needs and standards, both current and in the future. This goes beyond investing in repairs and improvements.

The definition of Strategy is about ensuring that investment is correctly targeted, correctly delivered and correctly recorded. In addition, it may encompass a review of the stock at any one time which may or may not result in changes to the asset base.

An Asset Management Strategy is an overarching statement of objectives, goals, processes and action plans for ensuring that all current and future resources are applied to delivering effective management and maintenance of all owned assets.

This document sets out the Association's strategy for managing its asset base.

2. Strategy Objectives

There are a number of objectives which this Strategy aims to deliver. These are:

- a) Provide affordable, high-quality homes that meet local needs and help make Provanhall a safe, sustainable, and successful community.
- b) Comply with all property related legislation.
- c) Ensure that housing stock complies with regulatory requirements, such as the Scottish Housing Quality Standard and the Energy Efficiency Standard for Social Housing.
- d) Comply with the requirements of the Scottish Social Housing Charter.
- e) Maintain housing stock and related assets to a standard comparable with peer Registered Social Landlords (RSLs).
- f) Ensure effective tenant involvement and consultation.
- g) Maintain a high quality and standard of stock condition information to allow for timely replacement of building elements, and allow for PHA to make informed decisions.
- h) Project future costs for replacing building elements to meet the required standard which are sustainable within the PHA Business Plan.
- i) Deliver stock investment which is sustainable, represents best value and provides excellent tenant satisfaction.
- j) Maintain a balanced portfolio through refurbishment, new build and acquisition.
- k) Improve energy efficiency of homes in order to help reduce fuel poverty.
- l) Ensure that funding from external sources is maximised.
- m) Deliver efficiency savings, where possible.
- n) Engage owner occupiers in multi tenure blocks to ensure a well maintained environment.
- o) Embrace Wider Role obligations by considering opportunities for local people (training, employment, community benefits etc.)
- p) Contribute to neighbourhood regeneration.
- q) Achieve value for money

3. Legislation, Compliance & Best Practice

The Association's asset base is impacted by wide and varied legislative and regulatory requirements, these include: I would include relevant years of the Acts to reflect we are working to current legislation.

• The Housing (Scotland) Act	• The Health & Safety at Work Act
• Environmental Protection Act	• Management of Health and Safety at Work Regulations
• Town and Country Planning Act	• Construction (Design and Management) Regulations
• The Building (Scotland) Act	• RIDDOR Regulations
• The Planning etc. (Scotland) Act	• Gas Safety (Installation and Use) Regulations
• Tenements (Scotland) Act	• Wiring Regulations
• Fire (Scotland) Act	• The Work at Height Regulations
• Human Rights Act	• Control of Asbestos Regulations
• Equality Act	• Control of Substances Hazardous to Health.
• Data Protection Act	• The Procurement (Scotland) Regulations
• General Data Protection Regulations	• The Procurement Reform (Scotland) Act
• Freedom of Information Act	• Energy Performance of Buildings (Scotland) Regulations
• Scottish Housing Quality Standard	• Energy Efficiency Standard for Social Housing
Note: Assume latest editions, amendments and Scottish edition where applicable.	

The above list provides a summary of legislative requirements, but it is not exhaustive. There is a substantial number of Acts, Regulations and Codes of Practice which influence the Association and its assets. PHA in the course of its business develops, implements and reviews a set of policies and procedure that manage risks in relation to the requirements of respective Acts, Regulations and Approved Codes of Practice.

3.1. Scottish Housing Regulator – Strategic Asset Management Guidance 2012

In 2012 the Scottish Housing Regulator released Strategic Asset Management Guidance to assist Social Landlords in delivering good service and make the most of their property assets. Ten essential elements were suggested as a basis for Strategic Asset Management:

1. A whole organisation approach	2. Understand tenants
3. Risk based and proportionate	4. Good information
5. Joined up planning	6. Look after core stock
7. Compliance with standards	8. Deal with 'cause for concern' stock
9. Consider new development	10. Achieve value for money

The Regulator is conscious of significant changes in the operating environment since 2012 and intends to issue new guidance, anticipated for release in 2021 or 2022. It is thought the new guidance will be updated to offer greater relevance and more clarity on:

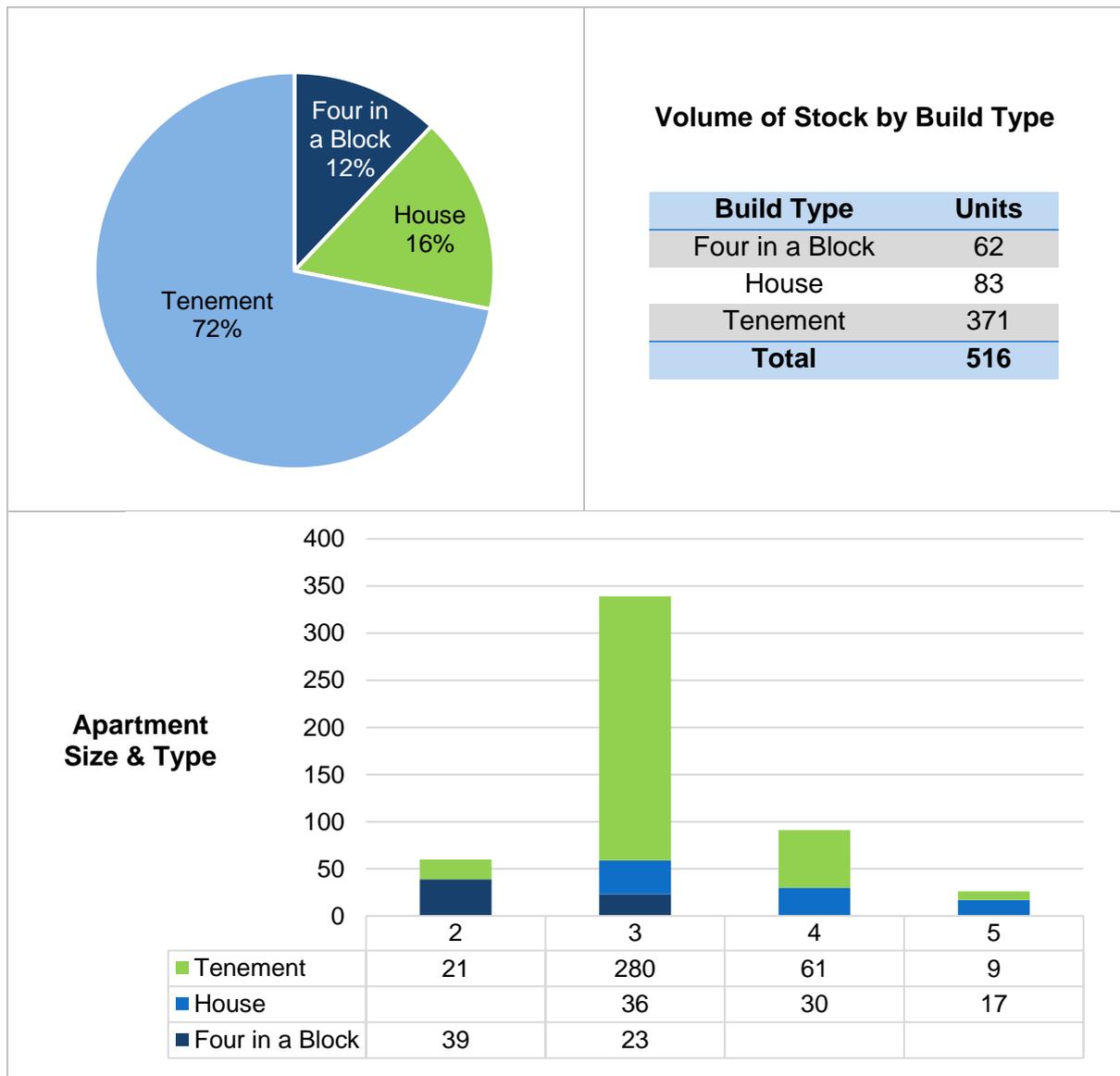
1. Asset management philosophy & approach	2. Tenant and resident safety
3. Assessing asset performance	4. Data management and analysis
5. Business planning and viability assessment	6. Option appraisal
7. Strategic response	

4. Asset Profile

Easterhouse was built to house a population of 50,000 people moved from the inner city with construction from the mid-1950s onwards. By the 1980s, many Easterhouse communities had serious housing and social problems and the District Council was unable to resolve these issues. Community-controlled housing associations emerged and 60% of Glasgow District Council tenants voted to join Provanhall Housing Association (formerly Hilltop View Housing Co-operative)

The co-operative was first registered in 1991 and extensive refurbishment work and new build housing started in the area. A second wave of growth occurred in 2009 when Glasgow Housing Association completed the transfer of 195 homes to the Association. GHA has since built 2 new developments in Provanhall with PHA securing a role in the second of these projects, taking ownership of 26 completed homes over the course of 2020-21.

As of September 2021 the Association owns and manages 516 residential properties, has built 1 commercial office and maintains a partial interest in 2 shared ownership homes. The stock can be summarised as follows:



Stock by Construction Year

Date Band	Four in a Block	House	Tenement	Total	
1945-1964		5	367	372	72%
1983-2002	49	55	4	108	21%
Post 2002	13	23		36	7%
Total	62	83	371	516	

Map: Stock Location, Type & Storey Height



4.1. Non-Rental Assets

PHA maintains a partial interest in 2 shared ownership homes. They are managed by 20 year shared ownership occupancy agreements with maintenance obligations being the sole responsibility of the occupant. Should the homes fall into disrepair the Association can undertake works with the costs recouped from the sharing owner.

In addition to assets for social rent the Association owns open space and amenity areas within the curtilage of Auchinlea Road and Conisborough Road.

As part of its 2006 housing development on Gardyne Street the Association constructed its current office premises. 34 Conisborough Road is a 4,100ft² Class C commercial office building with office, meeting and staff welfare facilities formed over two storeys.

4.2. Stock Condition Survey (SCS)

In 2016 Brown + Wallace chartered surveyors were appointed to undertake a stock condition survey. In addition to assessing component replacement cycles the surveyors brief was to assess properties in accordance with the latest Scottish Housing Quality Standards (SHQS) The percentage coverage of the 2016 SCS was planned at 15% and access was successfully achieved in full.

100% SHQS stock information was formed via a cloning exercise; this was undertaken using information from the 2016 SCS in addition to historic data from a similar survey in 2007. To ensure cloned data was representative of the stock, the surveyors recommended a stratified sampling methodology, this included the following:

Stage 1 - Primary Stratification by Origin

This involved the stratification of the housing stock by origin reflecting known variances between development and refurbishment phases. Disproportionate stratification was undertaken to take account of the origin stock and Second Stage Transfer (SST) properties.

Stage 2 - Tertiary Stratification by House Type

Within SST and New Build origin groups, there was further stratification based on the main property type.

The 2016 survey reported the stock is generally well maintained with previous major replacement programmes having sustained the properties in reasonable condition. In 2016 97.54% of PHA's social housing stock met the SHQS and no properties failed the 'Tolerable Standard'. The 9 units which recorded SHQS failures were due to kitchen storage less than 1m³ and persistent condensation in 3 properties.

The 2016 SCS stipulated a component replacement spend of £14,672,412 would be required over a 30-year period from 2016/17. These costs are based on a schedule of rates database, which has been developed based upon industry standards, historic information and local knowledge of contracts. Rates and are inclusive of contractor's prelims, with an allowance for professional fees and VAT.

A cyclical maintenance sum of £8,493,708 over 30 years was also reported, again this figure is inclusive of contractor's prelims with an allowance for professional fees and VAT.

A new stock condition survey was instructed in July 2021 although the report is not yet available. This new survey will mean 29% of the Association’s stock will have been assessed for SHQS compliance within the last 5 years.

In this instance properties were nominated based on the volume of units within each phase and considering previous SCS coverage. Upon conclusion of the 2021 SCS the percentage data coverage by development and refurbishment phase will be as follows:

Development Phase	Historic SCS Data					2021 SCS Focus	
	Total units in past SCS	% Covered past SCS	Rank Volume	Property Source	% of Stock	Suggested Survey	% Covered all SCS
Phase 1	7	15%	3	PHA Built	8%	8	32%
Phase 2	7	18%	5	PHA Built	11%	7	35%
Phase 3	5	13%	6	PHA Built	8%	7	31%
Phase 4	2	8%	12	PHA Built	7%	5	28%
Phase 5 A	5	17%	9	PHA Built	6%	5	34%
Phase 5 B	7	20%	8	PHA Built	8%	5	34%
Phase 6	2	20%	14	PHA Built	1%	1	30%
Phase 7	11	16%	2	PHA Built	13%	10	31%
Phase 8	17	24%	1	SST (GHA)	18%	12	41%
Phase 9	3	18%	13	SST (GHA)	3%	3	35%
Phase 10	8	18%	4	SST (GHA)	8%	6	31%
Phase 11	15	41%	7	SST (GHA)	3%	3	49%
Phase 12	5	19%	10	SST (GHA)	4%	3	30%
Phase 13	0	0%	11	PHA Built	0%	0	0%

5. Regulatory Standards

5.1. Scottish Housing Quality Standard (SHQS)

In February 2004, the Scottish Housing Quality Standard (SHQS) was introduced and a target of 31 March 2015 was set for every social landlord to meet the standard. In order to meet the SHQS, our social rented housing stock must be:

• Compliant with the tolerable standard.	• Free from serious disrepair.
• Healthy, safe and secure.	• Energy efficient.
• Provided with modern facilities and services.	

At March 2021, 99.03% of our stock meets SHQS. The Association has 2 exemptions due to property constraints (kitchen storage not possible) and 3 failures (kitchen storage possible)

Our aim has been to achieve the standard in all of our properties, where it is possible or reasonable to do so, within the resources that we have available and subject to adjacent factored homeowners agreeing to SHQS common works within mixed tenure blocks (eg door entry systems)

5.2. Energy Efficiency Standard for Social Housing (EESH)

The Energy Efficiency Standard for Social Housing (EESH) was introduced in March 2014. EESH aims to improve the energy efficiency of social housing in Scotland to help reduce energy use, fuel poverty and greenhouse gas emission.

The first EESH milestone was 31 December 2020 with properties set a minimum energy efficiency rating that was to be achieved, the ratings varied dependent upon the dwelling type and the fuel source used to heat.

As of March 2021 the Associations EESH performance reflects strongly in comparison with the industry average. PHA has an EESH 2020 compliance percentage of 98.45% with the social landlord sector averaging 92%.

EESH was reviewed in 2017-2019 with a public consultation held in 2018. A new EESH2 standard was agreed with the new milestone being as follows:

“All social housing meets, or can be treated as meeting, EPC Band B, or is as energy efficient as practically possible, by the end of December 2032 and within the limits of cost, technology and necessary consent.

The 2032 milestone will be subject a formal review in 2025 to assess progress and confirm if any additional requirements will apply to the 2032 milestone. Recent press publications indicate the formal review may be advanced to 2023 but this has not been formally confirmed.

As of October 2021 PHA has 55 properties which meet EPC band B and this is an EESH2 compliance percentage of 10.66%

Considering the Association performed well at the first EESH milestone, this change in compliance demonstrates the severity of the challenge facing the sector. An EESH 2032 strategy will be developed along with cost impact scenarios to assist future planning and risk management.

EPC Band	Units
B	55
C	458
D	2
E	1
Total	516

6. Life Cycle Costing Database

All key component replacement and cyclical maintenance information is detailed at individual property level within a Life Cycle Costing (LCC) spreadsheet supplied by Brown + Wallace.

In 2021 the Association purchased an additional SDM Housing software module that will allow fixed asset information to be stored within SDM. The transfer of data is anticipated to occur early 2022 and will include the refreshed stock condition information following the September 2021 stock condition survey.

The SDM Repairs & Maintenance module holds reactive repairs information for each property dating back to April 2000.

These databases allow for the interrogation of future investment requirements over any user-defined period, allowing PHA to look at short, medium and long term requirements.

7. Future Stock Condition Surveys

The Association will look to commission a new stock condition report every 5 years, with the next survey scheduled for 2026. Available options:

- Use of existing PHA resource to undertake a percentage of SCS each year, targeting properties that were reliant on cloned data and had previously not been surveyed;
- Competitively tender new SCS, which would over write existing data, or;
- Competitively tender SCS but based on targeting properties that were not previously surveyed.

PHA will need to give consideration to the following in developing future SCS briefs:

- Scottish Housing Regulator's requirements;
- Valuation Surveyor's requirements;
- Lender's requirements, stipulations and clauses;
- Available resources and budget;
- Deterioration in surveyed components since 2016 and 2021 surveys;
- New data overwriting accurate information held within LCC module;
- Desire to increase surveyed percentage, and reduce reliance on cloned information;
- Future reporting requirement for EESSH 2032, and;
- The extent to which the SCS process be used to gather other information on households, in particular tenant opinions on investment priorities, or data to assess levels of fuel poverty across the asset base.

A 15-20% sample should be considered as a minimum to ensure each property is accurately assessed once per 30-year cycle. The Association may consider larger or focused condition surveys if the results of any SCS determine cloning is not possible or if stock / components deteriorate out with their anticipated lifespans.

8. Asset Valuation

In 2014 the Associations stock underwent a comprehensive valuation by a firm of Chartered Surveyors. The valuation was undertaken to assist in:

- PHA financial planning.
- Assessing the suitability of the stock.
- Security appraisal for SST stock in accordance with lenders requirements
- Security appraisal for 2002 development and refurbishment stock in accordance with lenders requirements.

The assessment was undertaken in accordance with RICS valuation standards with the results of the Existing Use Valuation for Social Housing (EUV-SH) assessment being:

Phase	Units	EUV
Phase 1	47	£920,000
Phase 2	40	£906,000
Phase 3	39	£751,000
Phase 4	27	£688,000
Phase 4	2	£49,000
Phase 5A	29	£521,000
Phase 5B	36	£763,000
Phase 6	10	£280,000
Phase 7	68	£1,700,000
Phase 8	71	£961,000
Phase 9	16	£333,000
Phase 10	46	£748,000
Phase 11	37	£479,000
Phase 12	26	£376,000
Unit	494	£9,475,000

An updated valuation is planned for 2021/22.

9. VAT Shelter

This section only relates to the proportion of stock which transferred from Glasgow Housing Association to PHA in 2009. HM Revenue & Customs confirmed their position in relation to the treatment of VAT applicable under the development agreement between Glasgow City Council and GHA to which the Association is partly assigned. Any works within this stock that are classified as qualifying works, as detailed in the schedule between Glasgow City Council and GHA, will qualify under the VAT Redemption Scheme. This relates to first time improvements only.

VAT Shelter, also known as the VAT Undertaking, is a document between Scottish Ministers, PHA and The Royal Bank of Scotland plc in relation to VAT. The document indemnifies the Association by the Scottish Government in relation to the original VAT agreement.

10. Stock Data and Viability

SHR Asset Management guidance has stipulated there should be stronger focus on longer-term strategic planning. This has seen greater investment in life cycle costing data bases. To utilise this information fully, in a way which is meaningful in the context of holistic Asset Management, PHA must aim to establish each asset's performance overall and not just the capital expenditure required to maintain the 'bricks and mortar'.

10.1. Appraisal and Poor Performing Stock

It is logical that stock with diverse profiles and characteristics will make different contributions to our business plan. In order to make sure PHA fully understand this picture, we assess poor performing assets with the following controls:

- Right First Time Analysis
- Stock Condition Surveys
- Stock Valuation Surveys
- Insurance Reinstatement Valuations
- Estate Management Inspections & Reporting
- Turnover

In addition to the above a Void Report will be established in 2021/22 to assist staff in reviewing trends and expenditure in connection with property relets.

Future investment needs to demonstrate value for money, that the investment will meet the needs of residents and that we are investing in long-term sustainable homes. As of 2021 no PHA asset is deemed to be of poor performance.

10.2. Additions / Acquisitions / Disposal

Detailed appraisals have, and will continue to be used to consider development opportunities, one off acquisitions and disposals.

10.2.1. Development opportunities will require a feasibility report and a 30 year scheme appraisal to be undertaken. Where possible, the assumptions used in the appraisal will match those in the Budget and Business Plan and reflect costs related to private finance, repairs, insurance and long term stock investment. The aim for all acquisitions is that over a 30-year period they will provide additional income to the overall business.

10.2.2. Acquisitions may be considered if properties are located within our core estate which could be maintained at a viable level and offer additional choice to our tenants. Any acquisitions will require approval from the Management Committee based on detailed appraisals across all departments.

10.2.3. Property disposals are thought to be unlikely considering the Association enjoys majority ownership in all multi tenure blocks. If a level of investment to bring a property up to a lettable standard is not deemed viable and if the property is unlikely to sustain a tenancy disposal may be considered. Any disposals will require approval from the Management Committee based on a written report demonstrating the rational for the recommendation.

11. Joined Up Planning

The development and delivery of an efficient and effective Planned Maintenance and Investment Programme is integral to our Business Plan and Asset Management.

At present we have a 30-year Planned Maintenance programme based on stock condition information supplied by external consultants Brown + Wallace chartered surveyors, this data is maintained by the Associations technical staff. PHA understand the relationship between the need to reduce reactive day to day maintenance costs through efficient and effective planned and cyclical investment programmes.

Whole organisation monthly team meetings improve communication and planning in relation to planned investment and cyclical works programmes.

12. New Supply / Development

The Association will continue to examine possible development opportunities in the next 5 years however we have not assumed any stock increase as part of our financial plan.

Any proposed developments will be tested to ensure they contribute a benefit to the Association and meet the needs of the community.

Phase 14

A feasibility study has been undertaken to assess the suitability of a brownfield site located to the east of the Associations immediate boundary.

Given the working title of "Phase 14" the site is located between Balcurvie Road and Brunstane Road.

There are a number of physical, ecological and engineering constraints which challenge a development opportunity of 27 units (estimate).

As of 2021 the development is not considered practical. Consideration / investigation has been paused following completion of the initial feasibility study.



Any future development will need to factor in significant revisions to Building Regulations and the Scottish Government's New Build Heat Standard. Two pertinent changes are noted to be:

1. All new-build social homes and flats must be fitted with automatic fire suppression systems from March 2021.
2. A consultation paper indicates new builds should not be supplied by gas central heating and new heating systems should produce zero direct greenhouse gas emissions (e.g. hydrogen, heat pumps, district heating or other developing tech)

In 2021 the Scottish Government agreed to review Affordable Housing Investment Benchmarks annually with it noted benchmarks are neither grant rates nor ceilings¹.

¹ <https://www.gov.scot/publications/report-on-the-work-of-the-2021-affordable-housing-investment-benchmarks-working-group/documents/>

13. Compliance

13.1. Control of Asbestos

77% of the Associations stock (397 units) was built at a time where Asbestos Containing Materials (ACMs) may have been used in property construction or subsequent tenant decoration.

The Association undertook comprehensive refurbishment of 175 units that were originally built in 1958. This work occurred between 1994 and 2002 and brought 44% of the older properties upto the building standards at that time. Blue (crocidolite) and brown (amosite) asbestos was prohibited for use in 1985 and it is therefore not thought to be widely present in refurbished homes. White chrysotile asbestos was not prohibited until 1999 therefore this ACM cannot be ruled out. The following summary based on our refurbishment history is thought to be accurate:

- 168x homes built or refurbished post 2000 do not contain asbestos
- 126x homes refurbished between 1994-1999 may contain white chrysotile asbestos.
- 222x homes built in 1958 may contain blue crocidolite, brown amosite or white chrysotile asbestos.

To meet obligations under the Control of Asbestos Regulations 2012, PHA has a clear Asbestos Management Policy and associated procedures, which includes:

- **Asbestos Register:** a database of asbestos management information, which has been collated following asbestos management surveys. This information is made available to contractors.
- **Repairs:** Contractors are notified if the property is known to contain asbestos when a responsive repair is instructed. Association staff are alerted by a warning at the point of raising a works order against the property record.
- **Planned Maintenance:** Contractors are provided with a copy of the Associations asbestos register at the survey stage or earlier. Discussions will held as to the quality and extents of the existing asbestos information and to whether cloning and representative samples are appropriate and sufficient.
- **Action:** Where ACMs are identified, the appropriate management techniques or removal works will be undertaken. Removal or encapsulation works to be undertaken by a competent contractor.

13.2. Control of Legionella

As building owners and managers, PHA has obligations under the Health and Safety at Work Act 1974 in relation to the management of water systems to prevent the development of legionella.

13.2.1. Water Hygiene Residential

None of the Associations residential stock utilise water storage tanks (sealed or unsealed) therefore no maintenance programme for residential properties is required.

13.2.2. Water Hygiene Commercial

The Association identified a water hygiene risk through its electric shower which is provided for work purposes or staff personal use. The shower is subject to weekly temperature checks by technical staff with the shower head cleaned quarterly by the Associations office cleaning arrangements.

13.3. Lifts (LOLER)

As building owners and managers, PHA has obligations under the Lifting Operations and Lifting Equipment Regulations 1998 (LOLER) in relation to lifting equipment.

The association's stock profile is low rise housing and low to medium flatted developments. We have no traditional lifts. LOLER does apply though as PHA have 2no hoists and 1no chair lift, these are located at:

1. Residential home at 28 Balcurvie Road
2. Residential home at 12 Gardyne Street
3. PHA Office at 34 Conisborough Road

PHA's insurer appoints Bureau Veritas to undertake independent technical appraisals on a six monthly basis, in accordance with the Lifting Operations and Lifting Equipment Regulations 1998 (LOLER).

13.4. Fire Safety

Part 3 of the Fire (Scotland) Act 2005 is supported by the Fire Safety Scotland Regulation 2006. It places obligations on PHA as building owners to manage Fire Safety. This encompasses both PHA's commercial premises and areas of the residential housing stock.

13.4.1. Fire Safety Residential

The Association recognises the risk posed to residents and to our assets by fire. In accordance with Scottish Government legislation the Association has upgraded 94% of our housing stock to 2022 standards, these requirements are:

- at least one smoke alarm installed in the room most frequently used,
- at least one smoke alarm in every circulation space on each storey,
- at least one heat alarm installed in every kitchen,
- all alarms should be ceiling mounted, and
- all alarms should be interlinked.

The remaining 6% of properties will be complete prior to February 2022. The new fire alarms are either mains wired or fitted with 10-year lithium batteries. Fire alarms are checked on an annual basis during the annual gas service.

13.4.2. Fire Safety Commercial

The Associations office at 34 Conisborough Road is subject to independent Fire Risk Assessments and the fire evacuation process is tested on a six monthly basis. Fire alarms are tested weekly by Technical Services staff.

Testing of the fire evacuation process is subject to the office being occupied and open to tenants, during the COVID-19 pandemic the office has been closed. Fire alarms are still tested weekly or when staff next visit the office after a 7 day interval.

13.5. Cladding Systems

Following the events of June 2017 PHA undertook a technical assessment of the Cladding Systems installed. It was established:

- PHA does not own or manage any properties deemed 'high rise' with all commercial and residential stock below 18m in height.
- No residential property has been subject to an EWI cladding system which utilises a cavity or space gap, all installed EWI systems are surface fixed.
- All works were subject to necessary statutory consents.

In June 2017 the Scottish Government requested all Local Authorities and Registered Social Landlords provide a summary of their stock. Particular emphasis was applied to social landlords with multi-storey properties. As PHA do not own or manage any properties above 18m we were not subject to significant Scottish Government engagement.

13.6. Structural Assessments

The stock condition survey does not include a structural assessment, but it can provide an early indication of areas where issues are starting to develop.

PHA has only experienced limited and localised pockets of structural defects.

13.7. Gas Safety

PHA's appointed gas maintenance contractor carries out annual servicing and testing of gas appliances in accordance with the Gas Safety (Installation and Use) Regulations 1998. This includes the recording and management of all gas appliance certification. PHA also instruct a percentage sample of gas safety audit checks to ensure compliance with all statutory and regulatory requirements.

Difficult to access properties are accounted for in PHA's gas maintenance procedures. Health and Safety considerations allow the Association to undertake forced access as last resort.

13.8. Electrical Systems

BS 7671 recommends that all properties should be tested every 5 years and each time the property becomes void.

The Association will implement a testing regime 5 years after construction or full re-wire and for other properties on a 5-year rolling program. All void properties will also be tested and full records maintained.

13.9. Energy Performance Certificates

On the 4th of January 2003 the Directive 2002/91/EC of the European Parliament and Council on the energy performance of building took effect. The objective of the Directive is to highlight awareness of energy use in buildings and is intended to lead to substantial increases in investments in energy efficiency measures. Both domestic and non-domestic buildings must comply with the legislation.

The directive prescribes that when a building is constructed, sold or rented an Energy Performance Certificate (EPC) detailing its energy performance must be made available. This certificate can either be to the owner or by the owner to the prospective buyer or tenant. EPCs provide owners and tenants with better information about the carbon dioxide emissions from their properties and include simple cost effective home improvements measures that will save energy, reduce bills and cut emissions. EPCs have been required for existing buildings since January 2009.

As of October 2021 the Association has

- 217 valid EPCs.
- 158 certificates have expired within the last 2 years
- 141 properties are cloned from comparable EPC's

Cloning only applied where the build type, heating source, flat position, construction and property size is comparable. In 2017/18 the Association assessed the fabric of its properties with insulated render systems and this information feeds into our current EPCs.

All properties will have a valid EPC at the point of relet.

Associations Energy Performance Certificates by Year

EPC Year	EPC Band				Total	Comment
	B	C	D	E		
Cloned Survey	3	138			141	Clone of comparable EPC
2009	19	119	2		140	Expired, renew at relet
2010		18			18	Expired, renew at relet
2011		9			9	
2012		17			17	
2013		11			11	
2014		4		1	5	
2015		4			4	
2016		10			10	
2017		20			20	
2018		29			29	
2019	2	17			19	
2020	28	36			64	
2021	3	26			29	
Total	55	458	2	1	516	

14. Reactive Repairs

The reactive repairs service provided by PHA plays a vital part in the overall management of the asset base. The reactive repairs service, delivered via PHA's term maintenance contractors, carries out some 1,700 repairs every year.

Ensuring that both the Technical Services staff and appointed contractors understand the critical part they play in managing the assets, is a vital part of the overall asset management strategy. The key areas of value they add include:

- An effective reactive repairs services, carrying out good quality repairs helps to prolong the life of main components, ensuring that they reach their full life and reduce the requirement for early replacements:
- The Technical Services Officer and contractor operatives, due to the nature of their roles, visit a high percentage of properties each year – this provides opportunities for feedback to be gathered on the condition of components and also allows for any concerns to be flagged up in terms of possible misuse/abuse of assets:
- Feedback following new supply handovers and completion of programmed renewal contracts through defect reporting, allows us to improve future specifications and ensure that the correct products are used to achieve our required quality and component life expectancies:
- Analysis of reactive repairs data on one-off replacement and repeat repairs requests allows for an early warning system of component failures, allowing renewal programmes to be tailored to minimise reactive repair spend: and
- Reactive repairs performance is a key indicator in the overall performance of the asset base and also tenant satisfaction with their homes.

Repairs History (complete years)

Repair Type	2020	2019	2018	2017	Average
Estate Maintenance	40	73	141	62	79
Shared / Common	110	126	123	163	131
Shared/Common Factored	15	22	27	13	19
Tenant Occupied Property	1,459	1,486	1,423	1,493	1465
Tenant Recharge Repair	19	10	10	28	17
Total	1,643	1,717	1,724	1,759	1,711

15. Void Properties

Any properties that are void for a prolonged period are detrimental to PHA in terms of lost rental income.

The key objective of the Asset Management Strategy in relation to voids, is to ensure that all reasonable steps are being taken to minimise the void relet time in line with the Void Policy. Where it is reasonable to do so, essential or planned investment works, of an intrusive manner (eg electrical rewire) may be carried out during the void period to minimise disruption to the new tenant.

A Void Report will be established in 2021/22 to assist staff in reviewing trends and expenditure in connection with property relets. Trends / patterns in voids and tenancy sustainment can provide a useful insight into the quality of properties, quality of environment and neighbourhood / community, demographic and changes in demand.

16. Planned Works

PHA will determine its investment programme decisions by focusing initially on the base information contained within the Stock Condition Survey. However the investment programme will also take account of:

- a review of the current performance of components based on historic reactive spend;
- technical and performance feedback received from Association staff;
- trends identified through analysis of repairs carried out with expected cycles;
- works required due to changes in statutory requirements;
- information from tenants on their investment priorities.

Through analysis, the actual timing of component replacements may be either brought forward or moved back and each year's programme is confirmed in PHA's annual budget.

The initial years of Association's proposed investment programme are summarised below;

	Year				
	1	2	3	4	5
Planned Repairs	2022/23	2023/24	2024/25	2025/26	2026/27
Fascia	£0	£28,925	£27,300	£27,300	£16,250
Windows	£0	£418,900	£294,650	£294,650	£237,850
Close entrance door	£0	£13,800	£19,200	£0	£11,100
Close floors	£0	£10,840	£0	£0	£0
House/flat doors	£0	£57,770	£21,200	£20,670	£25,420
Kitchens	£310,976	£129,344	£352,598	£101,824	£121,088
Bathrooms	£0	£0	£52,200	£0	£185,400
Central heating systems	£58,800	£70,000	£106,400	£168,000	£114,800
Bathroom ventilation	£0	£0	£0	£0	£27,738
Electrical rewire	£0	£187,200	£134,400	£134,400	£106,700
Common electrics	£0	£14,040	£9,720	£9,960	£4,440
Smoke detectors	£0	£0	£0	£500	£1,500
TV systems	£0	£2,899	£2,007	£2,057	£917
Paving	£0	£0	£5,068	£0	£46,320
Cloakroom WC	£0	£0	£0	£0	£21,605
Radiator Replacement	£0	£98,000	£82,000	£83,000	£66,500
SUB TOTAL	£369,776	£1,031,718	£1,106,743	£842,361	£987,627
VAT (20%)	£73,955	£206,344	£221,349	£168,472	£197,525
Fees (6%)	£22,187	£61,903	£66,405	£50,542	£59,258
VAT of Fees (20%)	£4,437	£12,381	£13,281	£10,108	£11,852
TOTALS	£470,355	£1,312,345	£1,407,777	£1,071,483	£1,256,262

17. Aids and Adaptations

PHA currently receives Scottish Government funding to assist with the provision of aids and adaptations to tenants who have been identified by local authority partners as requiring such assistance to sustain their tenancy. This is covered within the Disabled Adaptations Procedure.

In the first instance PHA will explore housing options for a tenant to transfer to a home more suited to their needs before considering instructing major adaptations to their current home. Similarly where PHA has a vacant adapted property we will use the Waiting List to seek to match a household whose needs match the property and thereby make best use of the housing stock.

PHA recognises that in many instances there may be a clear rationale for adapting an existing property. The assessment and prioritisation of such cases will be carried out by Occupational Therapists. A property will only have major adaptations carried out where: other housing options have been ruled out; where there is budget available; where it is technically possible to adapt the property economically and where adapting the property makes best use of the housing stock in terms of meeting current and future housing needs.

Expenditure on disabled aids and adaptations varies from year to year, based upon the needs of individual tenants and the availability of HAG. However for investment planning purposes, given the ageing population and other community care needs, it is envisaged that PHA may spend £30,000 annually. This is supported by Scottish Government or Association funding in the case of SST stock. Where less resources are available than necessary, we will consult with Occupational Therapists to consider alternative housing options, reduced specification or other priority cases that can be assisted within the funds available.

18. Environmental Works

Environmental responsibilities of the Association include:

• Property standards & maintenance	• Maintenance, security and safety in closes
• Close cleaning	• Garden maintenance
• Common area maintenance	• Wheelie bin management
• Disposal of domestic and bulk refuse	• Graffiti
• Vandalism & criminal damage	• Abandoned vehicles

The Association strongly believes that Provanhall should be an attractive, well-maintained and safe place to live. This is best achieved through Housing Services and Technical Services, together with statutory and partner agencies and contractors, working proactively and closely together to manage our properties, common areas and the local environment effectively. The main partner organisations include:

1. Clyde Valley Landscape Services (estate management contractor)
2. Total Homes Co-operative (close cleaning & bulk removal contractor)
3. Glasgow City Council Neighbourhoods & Sustainability (cleansing services, footpath & road services, environmental health)
4. Glasgow City Health & Social Care Partnership (HSCP)
5. Loretto Care (tenancy support service)
6. Addaction (alcohol and tenancy support service)
7. Greater Easterhouse Alcohol Awareness Project (GEAAP)

The Association has long recognised the importance of Environmental Works and Estate Maintenance and provides the following environmental services across the estate:

- Communal Close Cleaning Service
 - Tenement properties cleaned weekly
- Ground Maintenance Service
 - Tenement back courts de-littered and grass cut.
 - Front gardens de-littered and grass cut.
 - Main door back gardens de-littered and grass cut.
 - Common areas de-littered and grass cut.
 - Planter areas, paths and hard landscaping weeded.

In addition to the above the Association also co-ordinate:

- Wheelie Bin Service
 - Main door properties bins repositioned for kerb side collection.
 - Tenement properties bins repositioned for kerb side collection.
- Bulk Removal Service
 - Main door properties removal of bulk items
 - Tenement properties removal of bulk items

The provision of PHA's bulk removal service was dramatically increased in 2021 as Glasgow City Council withdrew their free street collection service. Graffiti, vandalism and criminal damage is remedied via reactive services due to their typically irregular nature.

19. Multi tenure blocks

The breakdown of Development Phases which the Associations shares with private owners is detailed below:

Development	Rental Units	Private Ownership
Phase 1	47	1
Phase 2	40	1
Phase 3	39	
Phase 4	25	11
Phase 5 A	29	4
Phase 5 B	35	1
Phase 6	10	
Phase 7	68	
Phase 8	71	6
Phase 9	17	1
Phase 10	45	3
Phase 11	37	
Phase 12	27	5
Phase 13	26	
Total	516	33

The number of owners increased incrementally over time with properties sold under Right to Buy. This scheme ended in Scotland in 2016 with all successful acquisitions now concluded.

20. Factoring Service

The Association offers a factoring service to owners and sharing owners whose properties fall within its area of management. PHA recognises the benefits of providing a factoring service that encourages good relations with local owners and ensures properties and common areas within the area are maintained. The highest number of private owners are located in Phase 4: The factoring service will aim to include the following:

- Instructing common reactive maintenance and major repairs
- Planning for, arranging and overseeing cyclical and major repairs and planned maintenance improvement works
- Co-ordinating environmental maintenance and services
- Ensuring comprehensive buildings insurance for the full rebuilding value
- Providing management and administration services
- Maintaining a Reactive Maintenance Contractors Framework
- Provision of regular information and consultation
- Apportioning costs and liaising with solicitors regarding sales and re-sales

Works to blocks with private owners will be undertaken as follows:

20.1. Common Reactive Maintenance and Major Repairs

Association will carry out common reactive and major repairs to items such as the roof, close, gutters, downpipes, common windows, doors and the general structure of the building.

20.2. Cyclical Repairs, Planned Maintenance & Improvements

Cyclical repairs are carried out by the Association to prevent a property from falling into a state of disrepair, e.g. close-painting, roof-anchor testing, gutter-cleaning, etc.

As well as renewals or improvements to common elements, planned maintenance and improvement works may also involve e.g. replacement kitchens, windows, etc. Where such improvement works are to be carried out to the properties owned by the Association, an option may be extended to owners who wish to be included in the contract. This would allow owners to benefit from having the works co-ordinated by the Association and from lower costs achieved through competitive tendering and economies of scale.

20.3. Environmental Maintenance and Other Services

Costs will be recharged to all properties liable to pay a share of the grass cutting, de-littering and general maintenance of common and amenity areas.

Common costs for tenement properties include close cleaning, backcourt services including bulk removal, electrical supply costs for stair-lighting and controlled entry systems plus stair-lighting maintenance.

20.4. Buildings Insurance

The Association will comply with the property Deed of Conditions to ensure buildings we manage are adequately insured to cover the full reinstatement of all common parts of the building in the event of fire, storm, flood or other major disaster. Cover will be arranged via an insurance broker to ensure appropriate level of cover at the most competitive rate available. Owners once again benefit due to economies of scale making this particularly cost-effective for owners. The Association will co-ordinate any claims to be made via the Common Buildings Insurance Policy and inform owners of the outcome.

20.5. Management and Administration

A management fee will be charged for the provision of the factoring service.

20.6. Factoring Charges

The Association will annually assess the costs of the factoring service to ensure the charges cover the actual expenditure incurred. All charges will be invoiced and issued quarterly in arrears in April, July, October and January within 10 working days of the end of the quarter period e.g. Q4 invoice for period 1st January to 31st March will be invoiced April.

20.7. Arrears Control and Recovery

The Association will pursue owners with factoring arrears by way of reminder letters, emails, text messages, phone calls and house visits. The Association will have no choice but to begin legal recovery action against owners whom, despite the best efforts of staff, continue to be in arrears with their factoring charges. Owners may be liable for legal costs incurred by the Association in pursuing the debt. Each owner's Written Statement of Services details legal recovery measures including payment decree, wage arrestment, rent arrestment, speculative arrestment, attachment, inhibition order and sequestration.

20.8. Sinking Funds and Reserve Funds

Whilst Sinking Funds and Reserve Funds may be mentioned in Deeds of Conditions relating to properties we factor, due to both the small number and disparate nature of owners across our area of operation, Provanhall Housing Association does not currently hold any such funds.

Should the Association decide to arrange any such funds, we would ensure a clear separation between these monies held.

21. Procurement

The key requirement for PHA is to ensure that the needs of the investment programme are delivered within an affordable and sustainable framework that will meet projected time requirements and be delivered within the assumptions within the Business Plan and this is delivered through the Procurement Policy.

The investment required also needs to be delivered in the light of capacity and appetite within the construction industry due to the recent economic uncertainty, Brexit, potential Scottish Independence and the carbon neutral goal which may affect the capacity and capabilities of the local construction market as well as costs.

Where possible our procurement plans will also seek to reflect the wider Government agenda of maximising value for money through the possibility of achieving economies of scale and general procurement efficiencies such as procurement clubbing and the use of joint procurement groups such as the Scottish Procurement Alliance, Procurement for Housing and Scotland Excel.

Ideally through time our procurement model should seek to create a rolling programme for greater predictability and establish long-term relationships with contractors to ensure consistency and continuity of work and quality, maximise economies of scale, achieve tenant satisfaction, establish measures to reduce cost uncertainty and contain build cost inflation risk. At the same time the model needs to consider opportunities for reducing long-term costs through efficiency gains and continuous improvement.

When procuring works, PHA will comply with its Procurement Policy as well as relevant directives on procurement. We will therefore adopt a number of approaches including:

- Procurement following directives for works where it is estimated that the cost will exceed procurement thresholds;
- Quick Quote Procurement where regulated procurement does not apply but quality and cost needs to be assessed and procurement risks managed.
- Procurement of minor works through requests for quotations.

22. Procurement Options

In terms of response repairs, cyclical maintenance and planned programme renewal, PHA follows the Procurement Policy. This means that we currently have a number of contractors involved in delivering different aspects of our reactive works and investment programme, which are of variable scale.

As contracts expire, the Association will undertake an evaluation of the procurement options available: these options could include:

- Traditional procurement exercise, where contractors/consultants are assessed at pre-qualification stage prior to being included in a pricing stage:
- Use of “Procurement Clubs”, where the pre-qualification stage and in certain circumstance the pricing stage have been completed by a third party, allowing the Association to call off services as required.
- Negotiation, where there is a clear time, cost, quality and risk benefit in negotiating contracts with previous suppliers:

PHA has developed a standard specification in relation to all key aspects of our procurement activity and, where practical, this is for components that make up our planned programme renewals. The objective in doing this is to achieve optimum value for money, through maximising potential economies of scale within supply chains, standardising components wherever possible, prolonging component lifecycles where feasible and streamlining our working methods through process mapping. As a result we aim to:

- Produce good quality housing to a standard specification: and
- Operate within affordable cost limits.

23. Wider Economic Influences

Planned investment works can be affected significantly by variations in the cost of labour and materials. When the economy is buoyant there can be significant budgetary pressures through cost growth. Similarly when the economy is in recession there is potential for costs to stabilise or reduce as contractors compete more vigorously to secure work. However this can have an adverse impact on contract costs in future years and it is therefore important that contracts are well defined and strictly managed.

We must seek to mitigate against cost growth as far as reasonably possible. Every year we review our investment requirements within the context of our anticipated income. Our income is derived from rents and as such we seek to balance affordable rents with an investment programme that meets our needs. When we review our investment we will focus on essential works. Subject to budget availability, if costs are competitive we may seek to maximise investment in a particular year. However where there is pressure on costs we will seek to limit areas of lower priority discretionary expenditure.

Using standard specifications and adopting a partnering approach, where appropriate, will help us develop a clear understanding of the supply chain which could result in the development of long-term agreements and give us as much control over costs as possible.

24. Value for Money

PHA is fully committed to improving the economy, efficiency, and effectiveness of all its activities, as we have to work within the limited resources that we have available. We will take account of the needs of tenants, both internally and externally in specifying the goods, works and services that we require and will seek to procure using value for money principles, having due regard to propriety, regulatory and legal obligations. We will purchase standardised components wherever possible from a mix of suppliers and thereby seek to balance value for money with certainty of supply.

PHA seeks to compare its costs and the outcomes of our asset management activity through benchmarking against EHRA colleagues within our benchmarking statistics, other peer sized RSLs and any other examples of relevant best practice and innovation.

By collating a range of key information at neighbourhood level we will be able to decide where to invest and where to avoid or disinvest so that future investment is sustainable.

25. Cost Control

PHA needs to ensure that effective internal procurement processes, contract management and contract arrangements are in place in order to deliver an ambitious long-term asset investment programme.

The project management of stock investment works will be managed by the Technical Services section, which will be structured to reflect the needs of the programme and to ensure value for money in the administration of the investment programme. Specialist consultants will be appointed to assist in areas where specific expertise or additional capacity is required (e.g. quantity surveyors, structural engineering.)

The management abilities of the construction industry to deliver the work will be a key consideration. PHA will need to work closely with its contractors to ensure that these issues are addressed.

26. Risk Strategy

All aspects of this Strategy will be undertaken using current legislation and good practice to ensure exposure to risk is kept to a minimum. In accordance with the Association's 30-year financial projections clear amounts of capital have been budgeted for to allow the repair, servicing and renewal of components within PHA properties.

As new risks are identified these are assessed and added to the risk register, assessed in terms of impact and likelihood and appropriate mitigation measure put in place to reduce these where possible to an acceptable level.

It is critical that the assessment and planning of mitigation measures for all risks are considered in the context of the Asset Management Strategy, ensuring that there is an organisation wide understanding the role asset based solutions play in managing and reducing risks.

(Cross reference: Risk Register)

27. Equal Opportunities

Provanhall Housing Association is an equal opportunities organisation. The Association's Equality and Diversity Policy seeks to ensure that all suppliers are treated equally. The Repairs & Maintenance Policy will not unfairly discriminate against any suppliers, individual, or group of persons dealt with under the Policy on the grounds of:

- Race, ethnicity, national or social origin
- Disability including physical, learning or mental health
- Gender or marital status
- Sexuality or sexual orientation
- Religion, religious beliefs or opinions such as political opinions
- Age, appearance or financial status

The association wishes to ensure there are no barriers in accessing its services. Relevant documents can be translated into a range of languages or formats on request. We will also make available translation services for those who wish more detailed information and to assist those who wish to make personal enquiries. For anyone with visual or hearing problems, documents can also, on request, be made available in larger print, on tape, in Braille or on any other format required.

All suppliers will be required to accept the association's Equalities Policy or to have developed policies of their own which are acceptable to the Association.

Any complaints received in relation to breach of this policy will be addressed via the association's Complaints Policy.

(Cross reference: Equality and Diversity policy, Complaints policy)

28. Complaints

The Association has a Complaints Policy and Procedure which explains how tenants or suppliers who are dissatisfied with the operation of any service the association provides may make a formal complaint to the Association. This policy also includes an appeals process.

(Cross reference: Complaints Policy)

29. Review

The Strategy will be reviewed 2 years from the date of approval, or earlier should the need arise. A short review period has been set as the Association understands significant Legislation and best practice advice will be issued by two parties:

1. The Scottish Housing Regulator has advised the Strategic Asset Management Guidance 2012 will be updated.
2. The Scottish Government has indicated the EESSH2 formal review will be brought forward from 2025 to 2023.

Considering the nature of this document and the expenditure necessary to meet EESSH2 it is thought prudent the next review be forecast to occur November 2023.

30. Cross reference: Documents

Learning and Development Policy	Insurance Policy
Rent & Service Charge Policy	Treasury Management Policy
Estate Management Policy & Procedure	Factoring Policy
Housing Options Policy	Voids Policy & Procedure
Business Plan	Committee Remit & Delegated Authority
Health & Safety Policy	Standing Orders
Sustainability Policy	Tenant Participation Policy
Wider Role Strategy	Gas Appliance Servicing Policy & Procedure
Procurement Policy	Repairs & Maintenance Policy
Right to Repair Policy & Procedure	Asbestos Management Policy & Procedure
Wider Role Strategy	Gas Appliance Servicing Policy
Disabled Adaptations Procedure	Strategic Risk Register