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<b>Policy Name</b>	<b>Asset Management Strategy</b>
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**Registered with the Scottish Housing Regulator No. 203**  
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**Registered society under the Co-operative and Community Benefit Societies Act 2014**



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## 1. Introduction

The development of a robust Asset Management Strategy is key to West Whitlawburn Housing Co-operative's (WWHC) Business, Strategy and Internal Management Plan 2018 – 2021 (BSIMP).

The BSIMP has a focal point of the delivery of quality services that are customer focussed, ensuring effective financial management and providing affordable, desirable and sustainable homes and services to our members and tenants now and in the future.

WWHC's aims are reflected in this strategy with our mission statement:

*"West Whitlawburn Housing Co-operative will provide high quality housing and services at affordable rents, and will promote community and environmental sustainability."*

We aim to improve our properties by maximising our investment and resources through an evidence based decision making process.

While various definitions of asset management recognise that the management of property assets are pivotal to an effective Asset Management Strategy, there are other assets which are critical for the organisation; these being our people, our tenants and members, our equipment and our finances.

For WWHC, our assets are:

- Housing stock which supports our core function of providing quality, affordable housing to people in housing need.
- Non- residential assets like lock-ups, paths etc.
- Office accommodation, IT systems, equipment which support the work we do.
- Resource centre which supports the Co-operative's strategic objective of addressing inequalities and exclusion.
- Energy centre and district heating network
- Staff who are in place to ensure that our physical assets are effectively managed and required services are offered

- Management Committee who govern the Co-operative, taking strategic decisions to set the direction of the Co-operative
- Financial strength which underpins the Co-operative and ensures we can achieve our strategic objectives.

We rely on all of these to deliver our key objectives. This strategy document outlines the methodology and processes we intend to use to ensure we look after our assets effectively.

## **2. Scottish Social Housing Charter**

The Charter which sets out the standards and outcomes that Registered Social Landlords should achieve came into force in 2012 and was reviewed in 2016.

The outcomes which are especially relevant to our asset Management Strategy are:

### **Outcome 2: Communication**

Social landlords manage their businesses so that:

- tenants and other customers find it easy to communicate with their landlord and get the information they need about their landlord, how and why it makes decisions and the services it provides.

### **Outcome 4: Quality of housing**

Social landlords manage their businesses so that:

- tenants' homes, as a minimum, meet the Scottish Housing Quality Standard (SHQS) when they are allocated; are always clean, tidy and in a good state of repair; and also meet the Energy Efficiency Standard for Social Housing (EESH) by December 2020.

### **Outcome 5: Repairs, maintenance and improvements**

Social landlords manage their businesses so that:

- tenants' homes are well maintained, with repairs and improvements carried out when required, and tenants are given reasonable choices about when work is done.

### **Outcome 6: Estate management, anti-social behaviour, neighbour nuisance and tenancy disputes**

Social landlords, working in partnership with other agencies, help to ensure as far as reasonably possible that:

- tenants and other customers live in well-maintained neighbourhoods where they feel safe.

### **Outcome 11: Tenancy sustainment**

Social landlords ensure that:

- tenants get the information they need on how to obtain support to remain in their home; and ensure suitable support is available, including services provided directly by the landlord and by other organisations.

### **Outcome 13: Value for money**

Social landlords manage all aspects of their businesses so that:

- tenants, owners and other customers receive services that provide continually improving value for the rent and other charges they pay.

## **3. Purpose of the Strategy**

Put simply, an asset management strategy is a process that monitors and maintains things of value to an organisation. In WWHC's case, it will focus on the practice of managing and maintaining our housing properties, district heating network, fibre network, office and resource centre, lock ups, play areas, foot paths and open spaces.

The purpose of our asset management strategy is to set out the framework for our approach to ensuring that our properties are fit for purpose and remain desirable and attractive with a long term sustained demand from current and prospective tenants.

Fundamentally the purpose of this strategy is to:

- Clearly identify what our assets are and maintain this data on an asset register
- Ensure that the strategy will meet legislative, statutory and regulatory requirements
- Provide an overarching direction and focus for asset management
- Identify the key factors in effective asset management and how decisions will be taken
- Detail how WWHC will deal with the varying aspects of asset management including maintenance and improvement, supply and demand, tenant involvement, financial management, partnership working, training and development and risk management
- Outline a range of objectives which will ensure effective delivery of our Asset Management processes through all areas of our work

Our aim is to ensure that the strategy is focussed on real issues, and is realistic and achievable providing:

- A short to medium term stock investment programme
- A planned maintenance programme
- Responsive maintenance service
- Effective void process

## **4. Our assets**

### **4.1 Context**

In 1989 a tenants steering group was set up to seek that transfer of 541 homes from Glasgow City Council to community ownership. West Whitlawburn Housing Co-operative has been a Registered Social Landlord since then, celebrating our 30<sup>th</sup> anniversary in 2019. The Co-operative has worked hard to transform the area and has built 100 new homes for rent. We now own 644 good quality rented homes. We have developed innovative approaches including our wider role, concierge and energy activities. We have been ambitious and the physical and social improvements are both obvious and measurable.

## 4.2 Stock

The housing stock is a mix of multi storey flats, tenement style flats and new build and varies in size from 2 apartments to 5 apartments. The properties is generally in good condition and there is demand.

In 2016, our tenant satisfaction survey showed that 91.31% of tenants were satisfied with the quality of their home with 93.44% being satisfied with the overall service provided by the Co-operative.

**Table 1** below provides a breakdown of the housing stock by type and apartment size.

Property Type	Size (Apartments)	Number
Multi Storey Flat	2	13
	3	406
	4	13
Low Rise Tenement Flat	2	3
	3	68
	4	41
Cottage Flat	2	16
Mid Terrace House	3	24
End Terrace House	3	14
	5	4
Semi Detached House	3	12
	4	28
Detached House	5	1
Bungalow	4	1
<b>Total Housing Stock</b>		<b>644</b>
Office		1
Resource Centre		1
Energy Centre		1
Concierge Station		1

67% of our stock is multi storey flats

20% of our stock is tenement and cottage flats

13% of our stock is houses

As a social landlord we take our responsibilities for looking after our properties and area very seriously as we are aware that these properties are peoples homes and as such the quality of the properties has a major impact on the lives of those who live in them.

In addition to the housing stock WWHC owns 111 lock up garages located around the estate and a strategy for the future use, retention and repair will be developed. Within some areas there are particular difficulties with the condition of these garages, a number of which are unlettable.

In April 2019, WWHC Management Committee agreed in principle that 42 (13 let) lock ups at Roslin, Kintore and Benmore Towers will be demolished as part of the overall East Whitlawburn regeneration plan.

WWHC has an obligation to maintain large areas of open space, pathways, car parks and access roads in Whitlawburn.

In 2014, WWHC carried out work to install a district heating network to our 432 MSFs and 111 low rise flats. This renewed the existing electric storage heating systems with a biomass fuelled system supplying domestic heat and hot water.

A central energy centre, housing the biomass and gas boilers, associated equipment and the biomass fuel store was constructed and has been operating since then.

Fuel supply, operation and maintenance is provided by a specialist contractor procured through the Scottish Government Biomass Framework Agreement. This contract will be reviewed during the period of this strategy.

### **4.3 People**

Our people are our voluntary committee members and our paid staff, who together have shown resilience and dedication throughout the existence of the Co-operative. The people involved have the knowledge, skills and confidence to deliver services which meet the needs of our tenants and members.



We have effective arrangements for the induction and appraisal of committee members and work to keep committee member skills up to date. We have Committee and staff codes of conduct in place, a register of interests and our entitlements, payments and benefits policy.

We will continue to maintain and develop a strong team of committed people by developing our staff and committee training & development plans and continuing with staff appraisal systems. We will continue with our regular monthly staff periodic statement meetings to ensure there is awareness of activities across the Co-operative.

Our organisational culture and the core principles adopted will ensure we maximise the potential of our staff to deliver high quality asset management services.

#### **4.4 Wider Role**

WWHC wishes to help create and support a vibrant local community where the potential of Whitlawburn is fully realised. We recognise that this requires us to be more than a landlord and to use our skills and resources to deliver enhanced social impact. WWHC works in partnership with the Whitlawburn Community Resource Centre and together we have a history of delivering successful wider role projects. The Centre, which is an independently constituted organisation, a registered charity and company limited by guarantee, regulated by OSCR, is the main way in which community development activity is delivered in the area.

The original concept, which is still relevant, is that of an umbrella project that will complement the regeneration of the area and purposefully serve the expanding community for many years to come. Prior to the development of the Centre, Whitlawburn was more isolated and found itself excluded both geographically and socially from many mainstream services.

To ensure continual improvement in this area, WWHC will:

- Continue to promote social inclusion within the community through the Community Development Strategy.
- Continue to work to facilitate the provision of community facilities within the area to ensure adequate social, recreational,

- health and educational provision and to ensure adequate funding from appropriate sources.
- Continue to work with all partners to ensure the provision of relevant services required for the area and to ensure adequate funding
  - Continue to promote opportunities for local training and employment within the community
  - Support local advice agencies such as money and welfare advice services, local credit unions and so on.

Whitlawburn Community Development Committee works to address inequalities and exclusion in the area, promoting Whitlawburn as a strong, stable community and aims:

- To provide facilities and services, directed by local people to meet the social and economic needs of the community.
- To support the local community in accessing services to promote financial inclusion
- To promote community safety and tackle antisocial behaviour
- To provide tenancy support for vulnerable people
- To promote employment opportunities and reduce poverty

#### **4.5 Systems**

We are committed to investing in our systems to improve our productivity, efficiency, response rates, and communication. Our current systems include key housing management, maintenance and finance processes.

We have two main computer systems. These are the Microsoft office system, and our telephones and hardware, which are maintained by in-house by our IT Officer. The software for our housing, rent and asset systems are provided by Capita and we consider how to comprehensively improve how these are used on an ongoing basis. In the period of this plan, we will continue to maximise the efficiency opportunities.

#### **4.6 Information**

Central to our ability to plan for the continued good management of our assets is having good quality, up to date information through:

- Asset register / property database
- Stock condition surveys / information
- Letting / demand analysis
- South Lanarkshire Council Local Housing Strategy

The Co-operative maintains stock condition data on all stock property types to ensure properties continue to meet the requirements of the Scottish Housing Quality Standard 2015 and other future standards. Develop our new database to allow us to store and model information relating to our assets.

We undertake a detailed analysis into our stock including analysing previous and future maintenance and investment costs to ensure these are deliverable within our financial framework.

#### **Information on updated stock condition surveys and property database to follow.**

### **4.7 Planning**

The Asset Management Strategy is a key part of the Co-operative's business and needs to be closely linked to business planning and risk management strategy.

### **4.8 Rental Income**

The rent paid by our tenants is WWHC's main source of income. Over £3million per annum is received which funds the delivery of our services and improvements to our homes.

We determine annually the rental increase required to ensure we can continue to operate effectively. Rents are analysed to determine their affordability and are benchmarked locally and nationally.

The projected rent increases are modelled to show the impact on our financial projections and are subject to tenant consultation.

Our medium term 5 year projections continue to demonstrate viability and are based on reasonable assumptions. Welfare benefit reform and the introduction of Universal Credit continues as a key risk for the Co-operative which increases pressure on operating costs and the scale of rent arrears.

## **5. Legislation and Regulation**

### **5.1 Tenancy Agreement**

As an RSL, we let our properties on the basis of a Scottish Secure Tenancy Agreement which places Landlord repair obligations on WWHC detailed in Section 5 of the Agreement.

Our repair obligations under these clauses in the tenancy agreement are generally covered through our reactive repairs services. A separate Maintenance Policy applies.

### **5.2 Scottish Housing Quality Standard (SHQS)**

SHQS sets a national minimum standard for the physical quality of rented properties that all RSL's needed to achieve by 2015, and continue to achieve thereafter.

The SHQS is based on 5 key categories with 55 detailed elements, requiring that all social rented homes:

- Must meet the tolerable standard (elements 1 – 12)
- Must be free from serious disrepair (elements 13 – 30)
- Must be energy efficient (elements 31 – 35)
- Must have modern facilities and services (elements 36 – 40)
- Must be healthy, safe and secure (elements 41 – 55)

In the 2017/18 ARC, WWHC reported that 637 (99%) properties meet the SHQS with 7 (1%) abeyances,

Elements of SHQS can be put into 'abeyance' or be delayed when certain, usually people-related, behaviour-related or social factors, prevent the completion of work taking place. WWHC will continue to

monitor the position in relation to the abeyances and will carry out the work required to bring the properties up to the standard when possible.

### **5.3 Cyclical Maintenance**

Cyclical maintenance covers the regular maintenance and preservation of components. The main focus annually of our cyclical work is:

- Annual gas safety checks
- Smoke detector / CO detector testing
- Windows and window catch inspections
- MSF lifts, water, dry riser and ventilation equipment inspections
- Environmental repairs and grounds maintenance programme
- Gutter cleaning at low rise properties
- MSF landing doors checks and servicing
- MSF laundry equipment maintenance

### **5.4 Asbestos**

The control of Asbestos Regulations 2012, places a duty on WWHC to manage any asbestos found in its properties and to maintain an asbestos register containing detailed information on the location and type of asbestos found.

WWHC has a comprehensive register available to all employees and contractors who have confirmed as required that their operatives have had asbestos awareness training. A separate Asbestos Policy applies.

### **5.5 Gas Installations**

WWHC has a legal duty to ensure the continued safety of our tenants and we employ a gas servicing contractor to ensure that each property with a gas installation has a gas safety check within 12 months of the previous check. A separate Gas Safety Policy applies.

### **5.7 Legionella**

WWHC has a Legionella monitoring programme for all of its assets. Risk Assessments have been carried out and control measures are in place

The Co-operative's procures Legionella specialists for the monitoring programme who must be fully accredited members of the Legionella Control Association.

### **5.8 Energy Efficiency Standard for Social Housing (EESH)**

The EESH is a mandatory standard for RSL's to be met by 2020. The standard aims to improve energy efficiency, reduce energy consumption, reduce fuel poverty, and reduce the emission of greenhouse gases.

The EESH is based on a minimum energy rating shown in the energy performance certificate for a property and can vary depending on the Standard Assessment Procedure (SAP) used. The ratings to be achieved are as follows:

EE Rating	SAP 2009			SAP 2012		
Dwelling type	Gas	Electric	Biomass	Gas	Electric	Biomass
Flats	69	65	64	69	63	65
Four in a block	65	65	64	65	62	65
Houses (not detached)	69	65	64	69	62	65
Detached	60	60	64	60	57	65

100% of WWHC meet the standard demonstrating WWHC's commitment to energy efficient homes and reducing fuel poverty. The position will be reviewed following the publication of EESH 2 (post 2020).

### **5.9 Adaptations**

WWHC receives an annual grant funding allocation from the Scottish Government following a bid submission. WWHC aims to make best use of the housing stock in meeting housing need when an adapted property becomes available for let. A separate Adaptations Policy applies.

### **5.10 Void Management**

It is the aim of the Co-operative to minimise the rental loss from void properties by effective management methods.

Void times will be kept to a minimum by clearly advising the contractors of the work required, agreeing realistic time scales and close monitoring of empty-house work while it is ongoing. A separate Void Management Policy applies.

### **5.11 Fire Safety**

WWHC aims to ensure that the Co-operative effectively administers compliance with its landlord obligations in relation to fire safety and fire risk assessments in the common areas of flatted domestic premises and has a comprehensive Fire Safety Policy in place. Work identified as required through the implementation of this policy will be integrated into the Asset Management Strategy of planned work.

## **6. Development**

WWHC will plan any future development with partners with the following principles:

- Investigate opportunities to address current and future housing need
- Work constructively with South Lanarkshire Council and consider development which is consistent with the Strategic Housing Investment Plan
- Ensure that staff and committee act within good governance and financial management when developing proposals
- Ensure that we engage with suitably qualified professionals for appropriate advice
- Consider the business impact of the proposed development

WWHC will not:

- Be involved in overly risky development
- Take decisions which adversely impacts on viability or the best interests of our tenants
- Seek to develop out with our geographic boundaries

## **7. Tenant Participation**

WWHC undertake suitable and effective engagement with tenants and other stakeholders to utilise our assets to provide a better community. Our tenants are consulted on our asset management plans and strategy and their feedback informs decisions and priorities. A separate Tenant Participation Policy applies.

## **8. Risk Management**

The Asset Management Strategy must be able to show flexibility in case of potential risks. Increased planned renewal costs, unexpected failure of components or new legislation can all have serious implications for asset management.

Managing the risks to our Asset Management Strategy reduces the chance of us having to deal with the unexpected and ensures proactive management rather than reactive crisis management.

We have therefore adopted a comprehensive approach to risk management to ensure that we:

- are more flexible and responsive to new internal and external demands;
- are able to make informed decisions;
- can provide assurance to the Management Committee
- reduce incidents and control failures;
- are able to achieve our key targets and priorities.

WWHC will maintain a risk register in terms of this strategy taking into account the organisational risk management process which will generally include similar issues. This risk register will be reviewed and updated in line with the Risk Management Policy.

## **9. Financial Management**

We use a range of financial management techniques to ensure our assets are well looked after including:



- Annual rent setting process informed by tenant consultation and determined by Management Committee
- Annual budget process
- Quarterly reviews of management accounts by Finance Sub Committee and Management Committee
- Regular performance reporting on rent collection and arrears
- Quarterly financial review by senior staff
- Regular cost monitoring of contracts, reactive, cyclical and planned
- 5 year financial projections
- Review of costs
- Quarterly progress reporting and production of an annual update to the Business Strategy and Internal Management Plan

These are only some of the tools used to examine our financial costs involved in managing our assets and where specific decisions are being taken in relation to our assets these will be delivered in line with our financial procedures.

We intend to fund the objectives continued within this asset management strategy through:

- Maximising rental income
- Utilisation of loan facilities where necessary and possible
- Grant funding which may be available
- Controlling and reducing costs across the Co-operative
- Robust procurement procedures

## **10. Monitoring & Evaluation**

WWHC acknowledges the Asset Management Strategy is a key strategic working document and will require to be updated on an annual basis, to meet the ever changing environment in which we operate.

An annual update will identify progress against the objectives outlined in the strategy together with identifying any new or emerging

objectives. This will be a 'live' document which is regularly updated to ensure that we monitor and deliver on our identified aims.

We will produce an annual action plan which with a range of specific actions will contribute to the delivery of a successful asset management strategy. This action plan will be reviewed by Committee on a six monthly basis identifying progress against each action.

WWHC also has a range of Key Performance Indicators (KPI's) and Strategic Objectives detailed in the Business Strategy and Internal Management Plan which are monitored and reported to Committee. Both of these are critical in providing our residents with the high quality service delivery they expect from WWHC.

## **11. Links to Other Policies and Procedures**

Business Strategy and Internal Management Plan

Risk Management Policy

Procurement Policy

Estate Management Policy

Allocations Policy

Maintenance Policy

Training and Development Policy

Tenant Participation Policy

SHQS

EESH

Gas Safety Policy

Asbestos Policy

Fire Safety Policy

Void Management Policy

Adaptations Policy

Sustainability Policy