



Asset Management Strategy

2024-2029

Contents

Opening Statement	3
Introduction	3
Our Housing Association	4
Our Vision, Mission, and Values	4
Our Asset Management Strategy	5
Our Asset Management Goals and Objectives	5
Background	6
Our Assets	6
Our Stakeholders	8
Our communities.....	9
Our Services.....	10
Goal 1: To give a voice to our stakeholders to further our understanding of the requirements for housing and services in our communities.....	11
Introduction	11
Goal 1 Objectives.....	11
Tenant Engagement	11
Staff Engagement	12
Housing Demand.....	13
Goal 2: To effectively manage our assets in compliance with our requirements as a Registered Social Landlord and to ensure our current and future tenants have access to warm, safe and affordable homes.	14
Introduction	14
Goal 2 Objectives.....	14
Legislative and Regulatory Compliance	14
Scottish Housing Quality Standards (SHQS)	15

The Tolerable Standard.....	15
Energy Efficiency Standards for Social Housing (ESSH)	16
Compliance Risk Management.....	16
Asset Condition Surveying.....	17
Monitoring Performance	18
Integrated Asset Management and Regeneration Strategy.....	20
Goal 3: To improve the energy efficiency and sustainability of our asset portfolio supporting our tenants to affordably heat their homes and reduce our environmental impact.	22
Introduction	22
Goal 3 Objectives.....	22
Fuel Poverty	23
Energy Efficiency Standard for Social Housing (ESSH).....	27
Tenement Retrofit Strategy	30
New Development.....	33
Goal 4: To carry out robust data lead Asset Investment Planning including analysis of the Current and Net Present Value of our assets.	33
Introduction	33
Goal 4 Objectives.....	33
Comprehensive Review of Asset Investment Data	34
30-year investment plan	34
Net Present Value	35
Stock Disposal Policy	35
Funding Opportunities	35
Goal 5: To produce an Asset Management Delivery Plan setting out our path to achieve our goals.	37
Introduction	37
Goal 5 Objectives.....	37
Our Approach	37
CONCLUSION	38

Opening Statement

The past three years have been characterised by escalating costs affecting the level of investment required in our assets and a cost-of-living crisis deeply impacting many of our tenants and leading to rising levels of fuel poverty in our communities.

The global pandemic presented us with additional unique challenges, disrupting our ability to access assets to carry out condition surveys, repairs, maintenance, and work to improve their energy efficiency. This leaves us with a significant volume and value of works which we could not complete during this time on top of our ongoing investment requirements.

We have embraced these challenges and, in our position as a Registered Social Landlord and a manager of a built environment portfolio, recognise the significant positive effect we can have on our tenants' lives and our impact on the environment through the provision of warm, safe, and affordable homes for our current and future tenants.

We are dedicated to engaging with our tenants, staff, and partners to ensure their needs are understood and incorporated into our decision-making processes.

We are committed to upholding the highest standards of housing, ensuring the well-being, safety and security of our tenants.

We will strive to create homes that are energy efficient, sustainable, and affordable for our tenants to heat and live in.

We will harness the power of data to make informed decisions on our asset investment.

Our Asset Management Strategy represents our commitment to our tenants and our communities. Not only will we only overcome these hurdles, but our Association will emerge stronger, more sustainable, and better able to support our tenants to thrive in their homes and communities.

Introduction

Our Asset Management Strategy has been heavily influenced by the challenges of addressing the climate crisis, the decarbonisation of heat, and rising fuel poverty levels.

The UK has experienced unprecedented inflation due to a range of global and domestic factors in recent years, such as Brexit and the Covid-19 pandemic. Costs have rising faster than salaries and benefits putting additional pressure on household finances and leading to a cost-of-living crisis.

As the owner of a substantial built environment portfolio and a provider of social housing, we understand the importance of our role and the positive impact we can have via the sustainability of our buildings and the provision of warm, safe, and affordable housing for current and future tenants.

Rising costs and uncertainty around the level of investment required for energy efficiency compliance are key risks to the Association. Our Asset Management Strategy recognises these challenges and sets out our approach to tackling them.

Our Housing Association

Ng homes, the trading name of North Glasgow Housing Association was established in 1976 as a community-controlled housing association, originally formed by a group of residents who wanted to save their homes from demolition. Their aim was to protect and improve sub-standard Victorian sandstone tenements in their area of Springburn and to start building a new future for their community.

Over the years the Association has seen much change, growing dramatically in scale and complexity with 800 units transferred from Scottish Homes, smaller scale transfers from Glasgow City Council, 3,000 units added through the Large-Scale Voluntary Transfer (LSVT) programme from Glasgow Housing Association, as well as over £100m invested in building or improving homes for local people.

Ng homes are a registered social landlord (RSL), a Community Benefit Society and a Registered Charity. We provide around 5,449 homes for rent, 21 of which are for mid-market rental, and property factoring services for over 1,200 owners located in 4 adjoining neighbourhoods across North Glasgow - Springburn, Balornock, Possilpark and Parkhouse.

We have built a strong reputation for serving people and our communities and have not forgotten our roots. We continuously promote community engagement, opportunity, and local prosperity.

Our Vision, Mission, and Values

Our Vision, Mission, and Values reflect the culture and ethos of the Association and guide our decisions and actions.

Our Vision is to create a community where people can flourish and prosper.

Our Mission is to provide quality homes and ongoing community regeneration and empowerment.

Our Values are

- We are a quality organisation delivering excellence.
- We act with integrity.
- We are friendly and treat people with respect.
- We are customer focused and put the customer first.
- We are trusted and trusting.
- We are accountable.

Our Asset Management Strategy

Our Asset Management Strategy sets out our approach to ensuring that our built environment assets are effectively utilised, maintained, and improved. It considers physical condition, regulatory compliance, legislation, financial viability, and the needs and preferences of tenants.

The intended benefits of our Asset Management Strategy are:

- Effective decision-making.
- Improved housing quality.
- Enhanced tenant satisfaction.
- Compliance with legislation, regulation, and standards.
- Asset value optimisation.
- Long-term financial sustainability.

Our Asset Management Goals and Objectives

Our Asset Management Goals and Objectives are directed by our requirements as a Registered Social Landlord and are influenced by important topical factors such as fuel poverty, energy efficiency, and the decarbonisation of heat. Our goals and objectives have been developed following consultation with staff and with input from key stakeholders, they are designed to guide us to achieve the intended benefits of the Asset Management Strategy and ensure our assets are working for us, our tenants, and our communities.

We will explain the context and rationale for each of our goals, elaborate on our objectives and show, through the Asset Management Delivery Plan, how we will pave the way to making these goals a reality.

Our Asset Management Goals are:

Goal 1: To give our stakeholders a voice and to further our understanding of the requirements for housing and services in our communities.

Goal 2: To effectively manage our assets in compliance with our requirements as a Registered Social Landlord and to ensure our current and future tenants have access to warm, safe and affordable homes.

Goal 3: To improve the energy efficiency and sustainability of our asset portfolio, supporting our tenants to affordably heat their homes and reduce our environmental impact.

Goal 4: To carry out robust data lead Asset Investment Planning including analysis of the Current and Net Present Value of our assets.

Goal 5: To produce an Asset Management Delivery Plan setting out our path to achieve our Goals.

Background

Our Assets

Our built environment assets include mainstream social housing, retirement housing, mid-market rent, and shared ownership properties. We are also responsible for many elements of the estate and communal spaces within our communities, which we must invest in and maintain.

In addition to the dwellings included in our portfolio, we are also responsible for our offices as well as several commercial units and lock ups.

Rental Dwellings	Number
Social Housing	5428
Mid-Market	21
Total	5449

Other	Number
Office	12
Commercial	65
Lockup	79
Care Facility	2
Shared Ownership	33
Factored	1200
Total	1391

Rental properties

Our rental properties make up most of our asset portfolio and are our most important assets in terms of our core function as a Registered Social Landlord. We own 5,449 properties for rent, of which 21 are mid-market, and 5,428 are social housing.

Rented Dwelling Type	Number of apartments					Total
	1	2	3	4	5±	
Tenement Flats	27	770	1266	318	6	2387
4-in-a-block Property		63	750	162		975
Multi-Storey Flat		358	578			936
House		4	358	326	69	757
Deck Access Property	51	148	96	82	17	394
Total	78	1343	3048	888	92	5449

Flats

The housing stock across our communities is predominantly made up of flats and this is reflected in our own portfolio with 86% being flats. The flats are of varying types including tenements of both traditional stone and more modern construction types, multi-storey flats ranging from between 7 and 25 storeys, low rise, deck access, and 4-in-a-block.

Type	Number	Percentage of Portfolio
Houses	757	14%
Flats	4692	86%
Total	5449	

A key challenge in improving energy efficiency and reducing heat demand will be our tenement flats, which comprise 51% of our flatted stock and 44% of our total stock. Tenements are known to be challenging to improve due to the nature of their construction, their layout, and the variety of ownership scenarios which can be found in a single block requiring engagement with private owners and landlords.

We have had enormous success addressing the challenges presented by our multi-storey tower blocks with further information in this document on the positive impact of insulation measures and connection to low-carbon heat networks. We will explore the potential for connecting more of our assets to similar systems.

Asset Value

As of March 2023, the value of our housing properties was £117.6m and the value of other fixed assets placed at £1.4m. Our commercial properties were last valued in a once only valuation in 2014 and are listed below.

Commercial Assets	Yr. Built / Refurb	No of Units	Yr. 1 Gross Rent	EUV	MV
Ned Donaldson House	2001	1		£ 400,000	£ 400,000
264 Saracen Street	n/a	1	£ 7,500	£ 60,000	£ 60,000
252 Saracen Street	2011	1		£ 320,000	£ 320,000
10 Vulcan Street	2011	1		£ 130,000	£ 130,000
33 Lenzie	2011	1		£ 125,000	£ 125,000
Total		6	£ 7,500	£ 1,035,000	£1,035,000

Needs and Adaptions

In addition to the general need properties, we provide amenity housing, retirement housing, housing for those with particular needs.

Property adaptations play a crucial role in ensuring that individuals with specific health or mobility needs can live comfortably and independently. These adaptations aim to create safe and accessible environments within social housing properties, accommodating the unique requirements of residents.

The Health and Social Care Partnership in Scotland actively supports funding applications for property adaptations and provides valuable advice on available funding sources, such as grants and government schemes, which can assist in covering the costs of property adaptations. They help applicants navigate the complex funding landscape, ensuring that they are aware of all possible financial support options.

By collaborating with the Health and Social Care Partnership, our Association can ensure that the properties they offer are suitable for individuals with specific health or mobility requirements. This collaboration helps create inclusive and accessible living spaces, promoting independence and improving the quality of life for social housing residents.

Our Stakeholders

The table below shows our key stakeholders and the nature of their relationship with our Association. Our stakeholder relationships range from those who use our homes and services directly, a community-based relationship, or a strategic or regulatory one. All our stakeholders contribute to the development

of our Asset Management Strategy in some way, with our tenants and staff being the groups with the most significant contribution and therefore, the groups most extensively engaged on asset management-related topics.

ng homes	Strategic and Regulatory
<ul style="list-style-type: none"> • ng homes tenants • Residents and factored owners • Housing applicants • Local groups and volunteers • ng homes' employees • Local businesses • Local partners with whom we work to benefit our tenants and the local area • Our lenders, auditors, and insurers 	<ul style="list-style-type: none"> • The Scottish and UK Governments • The Scottish Housing Regulator (SHR) • Glasgow City Council (GCC) • The Office of the Scottish Charity Regulator (OSCR) • The Financial Conduct Authority (FCA) • Department of Work and Pensions (DWP) • Scottish Public Services Ombudsman (SPSO) • Health & Safety Executive (HSE)

Our Communities

Our housing is geographically concentrated in 4 adjoining neighbourhoods across North Glasgow approximately 2 miles from Glasgow city centre – Springburn, Possilpark, Balornock, and Parkhouse.

The Springburn area, where our Association's history began, has the largest share of our stock at around 40% most of which are flats including multi-storey and deck access properties. Possilpark accounts for 26% of stock, mostly flats again but with a sizeable proportion of houses. Balornock accounts for 25% of the stock with an even split between flats, houses, and 4-in-a blocks. Our smallest neighbourhood is Parkhouse with only 9% of our stock and this is made up of mostly houses and 4-in-a-block flats.

To support the management of our assets we have designated groupings of properties as 'Neighbourhood Areas' which are named Springburn, Possilpark and multi-storey flats. Each of these Neighbourhood Areas is broken into four smaller 'patches' which are assigned their own housing officer. This approach allows our Housing Officers to become familiar with the communities and tenants they support. In addition, we also have Housing Officers in each Neighbourhood area who provide support to tenant specifically to tenants having trouble with rent payments and arrears. This arrangement is currently under review as we evaluate how our House Services are structured and delivered post-pandemic.

An objective from our current business plan is “To be a strong community anchor, bringing positive changes that benefit our community” and our Regeneration Strategy guides our aims and activities in revitalising and improving our communities.

Our Services

In addition to our core duties as a Registered Social Landlord, we provide a range of services to support our tenants and communities and to generate additional income streams to boost the organisation's financial viability.

Factoring Service

We provide a Factoring Service to 1,200 owners, managing the properties and communal spaces and supporting to owners and tenants. We consult owners regarding future investment and have a quarterly owners forum to discuss topics of interest (there was a drop off in these groups during the pandemic and we are working with owners to re-start a more regular programme). We benchmark our management fees against other local Housing Associations and our fees are competitive within the sector and less than private factors.

Concierge Service

We have a 24-hour Concierge Service that covers its multi-storey flat areas 365 days per year. The Concierge service includes:

- Cleaning the multi-storey flat and deck access communal areas.
- Clearing out empty houses in the multi-storey flat area.
- Assisting tenants.
- Maintaining and preparing the bin area for cleansing uplift.
- Safety patrols around our areas and offices.
- Monitoring our CCTV; and
- Assistance at weekends for our elderly tenants.

Our Concierge team provide emergency support outside of normal office hours, and Tenants and Staff continue to provide positive feedback on this service. The quality of the service has been recognised by Keep Scotland Beautiful, who awarded 2 Gold and 12 Silver National Awards for Environmental Excellence to four of our multi-storey blocks, which was a first for a Housing Association.

Handyperson Service

ng homes provide a handyperson service to all tenants who are over 60 or disabled. This free service can assist with minor repairs such as putting up curtain rails, changing a light bulb or fitting a shelf. The tenant provides the materials, and labour is provided by ng homes.

Goal 1: To give a voice to our stakeholders to further our understanding of the requirements for housing and services in our communities.

Introduction

As a Registered Social Landlord, we have a large group of stakeholders with whom the nature of our relationship varies as does their role in shaping our Asset Management Strategy. We carefully consider how to engage our stakeholder groups and to give them a voice.

Those with strategic and regulatory roles contribute in the main through the development of legislation, regulatory frameworks, reporting, and guidance. Their input into the Strategy is in the form of compliance requirements and standards to be achieved.

Other groups can provide valuable feedback on the effectiveness of our assets and services within our communities. These groups need to be engaged directly and require a more proactive approach on our part to give them a voice.

During this round of strategic development, we pro-actively engaged with our staff to understand the areas of development and focus on our engagement with tenants and how we aim to maximise their participation in our Association's decision-making.

Goal 1 Objectives

To achieve Goal 1, we have developed the following objectives:

- To gather feedback from our tenants on their satisfaction with our assets and service
- To gather feedback from our staff on the management of our assets and services
- To capture information on demand for our assets and services

Tenant Engagement

Our tenants are our most important stakeholder group since our core purpose is to provide social housing tenants with quality homes and services within the communities they live in.

It is vitally important that we engage with our tenants to gather their feedback on our assets and allow them input into decision-making. We worked with the Tenant Participation Advisory Service (TPAS) Scotland to develop a more comprehensive Tenant Participation Strategy and to strengthen our tenants' scrutiny group and focus groups.

Through this Strategy, we encourage tenants to be involved in our decision-making, most commonly through consultations, area-based residents' groups and groups that have been formed to address specific aspects of our work. We promote these opportunities and the outcomes of consultations through our 'North News' newsletter and on our website. The Strategy is reviewed every 3 years.

Information from consultations and feedback are used to guide a range of strategies including our Asset Management Strategy. We report externally to our stakeholders via our annual Landlord Report.

Staff Engagement

Our staff are a vitally important stakeholder group when developing our Asset Management Strategy as they possess first-hand knowledge and expertise of the Association's operations, the condition and performance of its' assets, and the effectiveness of its' day-to-day management.

We undertook extensive engagement with our staff to identify challenges and opportunities to be explored through the development of this Asset Management Strategy. Our goal was to encourage cross-functional collaboration, improve communication, and to create a more holistic understanding of the Association's goals and how we can work together to tackle them.

Engagement will continue as we move into execution of the Asset Management Delivery Plan to create a sense of ownership, responsibility, and accountability for its success.

Engagement Activity

Preliminary discussions with staff identified several areas of the Strategy they wished to explore, and a series of focused engagement sessions and workshops were developed around these themes. We allocated groups of stakeholders to each topic from across the Association ensuring a range of teams, roles, and individuals were given the opportunity to provide their insights.

Topics covered included:

- Asset Condition Surveying and Performance Monitoring
- Tackling Fuel Poverty
- Hard-To-Let Stock
- Component Investment Data
- Investment Planning
- Discussion of Draft Asset Management Strategy

The Asset Condition Surveying, Tackling Fuel Poverty and Hard-To-Let Stock workshops focused how information on properties and tenants was collected, analysed, and used to assess performance and make investment decisions.

The Component Investment Data workshop and Investment Planning session involved extensive validation of the requirements, lifecycles, and costs of all components to ensure accurate baseline assumptions for the 30-year investment plan.

Key staff across the Directorate and Senior Management Team met to review the draft Strategy and achieve consensus that the goals and objective of our Association had been accurately captured and that the Strategy was ready to be shared with the wider organisation and external stakeholders.

Housing Demand

Maintaining demand for our assets is essential for the financial viability of the organisation. We monitor the performance of our assets in this area by using data on our waiting lists for new tenancies, transfer lists for existing tenants, length of tenancies and periods spent void.

Our waiting and transfer lists tell us specifically about current demand for our own stock and at present includes applications from over 3,500 individuals who wish to become ng homes' tenants.

The average waiting time on our new application list is current around 3 years however, those with limited selections and flexibility on location and type can wait significantly longer so we do encourage applications to make a wider range of selections to speed up their placement.

We must also be aware of the wider demand for housing in our communities and maintain our knowledge of other local housing providers new build plans to ensure they do not adversely affect demand for our existing assets or plans for new development. We engage with Glasgow City Council and other local RSLs and agencies who can help us to create a bigger picture of demand and work with them where there are opportunities to address specific housing needs, homelessness, and crisis and to maximise tenancy of our assets.

A snapshot of our lets to other agencies is shown in the table below:

Agency	Springburn	Possilpark	Total
Glasgow City Council	76	24	100
Mears	53	38	91
Phoenix Futures		11	11
Key Housing	3		3
Penumbra		1x8-bedroom unit	8
Mungo Foundation		1 close with 10 flats	10
Richmond Fellowship		3	3
Quarriers	1		1
Total	133	94	227

Goal 2: To effectively manage our assets in compliance with our requirements as a Registered Social Landlord and to ensure our current and future tenants have access to warm, safe and affordable homes.

Introduction

Vital to the effective management of our assets and compliance with our requirements is the quality of the information we hold and how we use it. To achieve Goal 2 our objectives will focus on the evolution of our current approach to data collection and analytics ensuring we have robust and current data available to support the monitoring of our performance and making informed investment decision.

As a Registered Social Landlord, we must comply with frameworks of legislative and regulatory requirements. They aim to set minimum standards for the quality of housing and to support landlords to provide warm, safe, and healthy homes for their tenants.

We will benchmark our performance against our peers nationally and strive to provide our tenants with an industry leading service.

Goal 2 Objectives

To achieve Goal Two, we have developed the following objectives:

- To ensure compliance with the legislative and regulatory requirements of a social landlord
- To develop our asset condition surveying process to gather data more frequently and strategically.
- To Improve the energy efficiency of our assets by working towards EESSH2
- To ensure an integrated approach to our Asset Management and Community Regeneration Strategies.
- To closely monitor asset performance against our agreed KPIs

Legislative and Regulatory Compliance

Key standards relating to the management of our assets include:

- Scottish Quality Housing Standards (SHQS).
- The Tolerable Standards (Housing (Scotland) Act); and
- Energy Efficiency Standards for Social Housing (EESH).

Scottish Housing Quality Standards (SHQS)

The SHQS was introduced in February 2004, and it is the primary means of measuring the quality of housing in Scotland. It consists of a set of broad criteria, covering specific elements, which must all be met if the property is to pass SHQS.

It means social landlords must make sure their tenants' homes:

- meet the tolerable standard.
- be free from serious disrepair.
- be energy efficient.
- be equipped with modern facilities and services; and
- be healthy, safe, and secure.

These minimum housing standards were introduced to ensure that no property falls below this level.

The Tolerable Standard

The Tolerable Standard was introduced in Scotland via the Housing (Scotland) Act 1987. This legislation was enacted to address the poor condition of many properties in Scotland at that time and establish a minimum standard for housing quality. The tolerable standard consisted of a set of criteria covering the elements of a house which are fundamental to its' functioning as a home. The criteria address issues of public health, comfort, and safety.

Social Landlords' requirement to achieve a tolerable standard is now set out within the Social Housing Quality Standards and includes 14 elements which must meet a prescribed standard.

- Structural stability
- Rising damp and penetrating damp
- Lighting, ventilation and heating
- Wholesome water supply
- Sink with hot and cold water
- Water or waterless closet
- Bath and/or shower, and wash hand basin with hot and cold water
- Foul and surface water drainage
- Facilities for cooking food
- Access to external doors and outbuildings
- Electrical installations
- Smoke and heat alarms
- Carbon monoxide alarms
- Thermal insulation

Energy Efficiency Standards for Social Housing (ESSH)

The ESSH aims to encourage and support landlords to improve the energy efficiency of social housing in Scotland by setting minimum Energy Efficiency (EE) Rating targets for rental properties to be achieved by landlords. ESSH is now working towards a second milestone, ESSH2, with all social landlords to bring their housing assets to EPC band B by December 2032.

Improving the energy efficiency of our properties reduces the energy requirements and supports affordable energy bills for tenants. Understanding the investment requirement to meet ESSH2 is a key risk to our Association and an area where extensive surveying, assessment and feasibility considerations are required.

We have set out our approach to ESSH2 and the decarbonisation of heat in our assets within **Goal 3: To improve the energy efficiency and sustainability of our asset portfolio to support our tenants to affordably heat their homes and to reduce our impact on the environment.**

Compliance Risk Management

Our Association's approach to risk is detailed in our Risk Management Strategy which is fully integrated into our planning and performance framework. It links directly with our annual Business Plan and related objectives. In turn, the Business Plan is informed by our annual Strategy Review, where the Board decide on medium-term objectives as well as specific priorities for the year ahead. Assessment of external environment and related potential risks is a feature of the annual Strategy Review.

Our Risk Management Strategy covers how we identify, assess, respond, monitor, and review risks.

Health and Safety Gap Analysis and Monitoring

In the context of managing our assets, health and safety (H&S) is a critically important risk category to be considered. We have a duty of care both as an employer and a landlord to ensure that users of our assets and services are protected. We have full access to both the Employers in Voluntary Housing/ ACS Employer and Landlord Control Manuals to support us in this vital area of our work.

We are committed to continuing to operate in line with health and safety legislation and good practice. We will ensure that we maintain a robust, effective, and sustainable health and safety culture into the future. This includes all Board and staff members understanding the role they must play, and the system will be designed to ensure the ng group reaches the highest possible health and safety standards.

As part of our Risk Management Strategy, we committed to developing an internal, self-auditing tool which can be used to supplement the periodic audits completed on our behalf by external auditors. The purpose of this approach is to provide even greater oversight of the management of our H&S

requirements and earlier opportunity to identify areas for development in our ability to manage and evidence our compliance.

Specific areas of H&S compliance included in the self-audit are:

- Asbestos
- Damp & mould
- Electrical
- Fire
- Gas
- Lifts
- Water

Findings and Recommendations

When assessing our H&S compliance we were satisfied that we had the processes in place to evidence management of the risks and data and documentation available to evidence delivery of the requirements such as cyclical inspections and maintenance.

An area we identified during the self-audit for development was to incorporate reporting metrics for these key areas of Health and Safety Compliance and utilise dashboards to give managers easy access to effective statistics on the status of compliance and progress of cyclical activity to maintain these targets.

We will continue to work with independent H&S experts to periodically review our Strategy and processes.

Asset Condition Surveying

Our current asset condition data was collated over 5 years ago following an extensive programme of physical surveys carried out over a single financial year.

We were able to survey around 80-85% of our housing assets and the condition of the remainder was estimated using what was known about similar archetypes and nearby properties. We also surveyed our Estate Built Environment Assets covering communal areas and infrastructure. These datasets have now reached the end of their useful lifespan and need to be updated.

The Covid-19 pandemic resulted in extensive periods where access to properties was not possible and our ability to survey and maintain our assets was severely limited. This has had implications for our understanding of our assets condition and our investment planning. We must now balance a significant budget for outstanding works as well as our ongoing maintenance and improvements requirements. This will require careful consideration based on the intelligence gained from surveys of our assets.

Survey Programmes

To address the challenges of the last 5 years we will survey a selection of properties in the first year which will provide us with a representative sample of asset types which can be used to re-profile our investment assumptions with better accuracy than we can at present.

Following this re-profiling, we will carry out Stock Condition Surveys on our housing assets and Estate Built Environment Surveys at a rate of 20% per annum which would ensure both data sets are fully replenished every 5 years.

The timescales that were proposed for replenishing data on each were based on factors such as the organisations planning cycles, periodic reviews of strategies and business plans, and giving the best opportunity to address any potential compliance failures or H&S risks.

In addition to these survey programmes, we will continue to carry out inspections of void properties as these serve a specific purpose in void turnaround, however they will be updated to include some key SHQS and EESSH considerations to improve response times to potential risk of failures in these areas.

The proposals from staff aligned well with recommendations from the Scottish Housing Regulator (SHR) in their recently updated "Recommended Practice on Integrated Asset Management". The SHR recommend that Asset Management Strategies should have review cycles of no longer than 5 years, that Service Performance information is gathered over defined periods with an example of every 3 years given, that the value of KPIs used is reviewed every 3 to 5 years, and that action plans are reviewed annually.

Monitoring Performance

Our performance and compliance with the Scottish Government's Social Housing Charter is monitored by The Scottish Housing Regulator. We submit an Annual Return on the Charter (ARC) which gathers information across a range of areas of performance.

We monitor our own performance internally to ensure our individual assets are working for us and outwardly we benchmark our performance against our peers.

We communicate our performance to our stakeholders through our annual Landlord Report which is available to download from our website.

Benchmarking

We collaborate with Scotland's Housing Network (SHN), a membership organisation set up in 1995 for Local Authority and Housing Association Landlords. They support their members to drive up performance and deliver quality services by means of benchmarking, data insights, knowledge exchange, and supporting self-assessment.

One of the ways in which we are supported by SHN is via their benchmarking service comparing our Annual Return on Charter (ARC) returns with our peers and our own performance in previous years. In the most recent evaluation, 2022-23, our peer group included the 5 largest RSLs nationally, 4 local RSLs, and the SHN group average. Organisations benchmarked with included Argyll Community HA, Castlerock Edinvar, Hill Crest, River Clyde Homes, Wheatley Glasgow, Maryhill, Queens Cross, Thenue and West of Scotland Housing Associations.

The comparison with peers and commentary on national averages and trends help us to consider the impact of external factors on our own assets such as a general drop in satisfaction with repairs in recent years which has been a challenge for all housing providers due to the Covid-19 pandemic and restricted access to properties to survey their condition and carry out maintenance.

ng homes 'Overall Satisfaction' score for 2022-23 was 83.56%. This has dropped from 2021-22 where we achieved a 94.75% score which was significantly higher than our peers and the average SHN Group. It was useful to note that there has been a downward trend in satisfaction scores for all associations however we will analysis the responses and determine where our areas of opportunity for improvement are.

Monitoring Asset Performance

As part of the review of our Asset Management Strategy we have undertaken to develop an Asset Performance Matrix which includes a range of criteria across three performance areas as shown in the table below. These metrics include the properties financial performance as well as considering service performance and 'wider picture' factors such as deprivation levels, anti-social behaviour and tenant satisfaction and take an integrated approach to considering an assets value and performance.

Performance Area	Performance Criteria
<ul style="list-style-type: none"> • Service Performance 	<ul style="list-style-type: none"> • Turnover • Void period (days) • Demand • Current Arrears • SAP rating • Responsive repairs cost • Cyclical costs • Empty Homes
<ul style="list-style-type: none"> • Financial Return 	<ul style="list-style-type: none"> • Net Present Value • Internal Rate of Return • Historic Cost Ratio
<ul style="list-style-type: none"> • Wider Picture 	<ul style="list-style-type: none"> • SIMD • Anti-social behaviour • Satisfaction with Home

We will develop targets for each of the performance criteria and use a Red, Amber, Green (RAG) status to allow quick referencing of performance and focusing of resources and effort. The Asset Performance Matrix will allow for the inclusion or exclusion of any of the criteria as well as applying a weighting to adjust totals scores in line with current priorities giving us lots of flexibility to ensure close targeting.

Key Performance Indicators will be reviewed and revised on a 3 yearly basis in line with recommendations from the Scottish Housing Regulator's Recommended Practice on Integrated Asset Management.

Integrated Asset Management and Regeneration Strategy

Our understanding of what makes a property desirable includes not only the assets themselves but also the communities in which they are located.

We know that a thriving community is about more than just the built environment, and this is why our Regeneration Strategy is based on the three pillars of regeneration: social, economic, and physical. It encompasses various community-based challenges and is designed to improve housing quality and tenure, social isolation, community cohesion and capacity building, fuel poverty, recycling, employability, health, education, and sporting participation.

Our Regeneration Strategy is aligned with National, and Local Government Housing and Regeneration objectives. Our 3 Strategic themes of social, economic and physical regeneration is designed to improve housing quality and tenure, social isolation, community cohesion and capacity building, fuel

poverty, recycling, employability, health, education and sporting participation. Our Strategy is rooted in and will be developed upon the success of existing regeneration initiatives designed to improve the lives of our tenants, residents, local people and help to support the most vulnerable and marginalised members of our community.

A good example of how the two strategies can effectively complement each other was demonstrated during the 'hard to let stock' and 'Asset Condition Surveying' workshops held as part of the staff engagement campaign undertaken during development of this Asset Management Strategy. While the focus was on the rental assets themselves there was discussion around the estate and its impact on satisfaction. When discussing surveying of the rental assets a proposal was put forward by staff to also introduce Estate and Built Environment Surveys. The data from these surveys will in future form an integral part of the development of our regeneration strategies and investment planning.

Approach to Integration

Integration of our Asset Management and Community Regeneration Strategies will require planning and collaboration from our teams responsible for their design and delivery. The teams will work together in a coordinated manner to combine efforts, share resources, and achieve mutual goals.

The leads for each strategy will be responsible for working together and collaborating with stakeholders to agree the areas of opportunity. They will be responsible for allocating resources and overseeing the integration into the strategies.

Information from gathered as part of our Asset Management Strategy activities such as Asset Condition Survey Programmes, Tenant Satisfaction Surveys and tenancy and void durations will be used to help identify areas of improvement and identify where satisfaction with our assets and tenancies can be improved by directing regeneration activities and identifying the need for budgets to be allocated for regeneration activities.

We will assess our impact by monitoring demand, satisfaction and performance statistics before and after investment so that we can understand what works for us and use the insights to inform future activity.

Goal 3: To improve the energy efficiency and sustainability of our asset portfolio supporting our tenants to affordably heat their homes and reduce our environmental impact.

Introduction

A significant challenge for our Association is improving the energy efficiency and decarbonising heat within our assets to comply with our requirements, meet climate emergency related targets, and support our tenants to affordably heat their homes.

The key risk to the organisation associated with these requirements is our understanding of what fabric measures, low carbon heating, and renewable technologies we will need to deploy, how much this investment will cost, and how it will be financed.

We will conduct a Heat Networks Zoning and Feasibility exercise to develop our understanding of which assets can realistically be connected to new or existing efficient low carbon heat networks to provide affordable heat. Our planning to comply with EESSH2 will incorporate findings from this exercise and our assets considered to be suitable for connection to heat networks will be modelled as such. In our tenement stock we will need to insulate solid stone traditional construction and we will explore the technical feasibility and economic viability of the options.

There are challenges ahead but there are also opportunities with a significant level of activity, support, and funding available from the Scottish Government which will allow us to improve economic feasibility and accelerate the roll out of improvements.

Goal 3 Objectives

To achieve Goal 3, we have developed the following objectives:

- 1) To improve the energy efficiency of our assets to reduce heat demand and tenant energy usage.
- 2) To understand the potential for connecting our assets to Low-Carbon Heat Networks
- 3) To develop an Energy Efficiency Standards for Social Housing (EESH2) plan
- 4) To evaluate the insulation options for the fabric of our traditional construction tenement assets.
- 5) To maximise the potential to receive grant funding to improve economic viability and accelerate improvements.

Fuel Poverty

The cost of living in the UK has increased dramatically due to the ongoing impact of a range of domestic and international issues such as the global Covid-19 pandemic, Brexit, and the war in Ukraine. Income and benefits have not risen at the same rate as inflation, and this has increased pressure on household finances.

Fuel poverty presents a strategic risk in terms of its impact on tenants' wellbeing and their ability to afford rental payments, as well as risks to the assets condition and to tenants' health arising from properties not being properly heated and ventilated.

Assessing Levels of Poverty

The Scottish Index of Multiple Deprivation (SIMD) is a useful tool to help measure and understand the levels of deprivation across different areas of Scotland. It provides a comprehensive assessment of multiple indicators to identify areas that face higher levels of poverty and various other vulnerabilities.

The SIMD incorporates a range of statistics across seven domains of deprivation:

- 1) **Income:** Measures the extent of income deprivation based on factors such as employment rates, benefits, and low-income households.
- 2) **Employment:** Focuses on unemployment rates, job density, and other employment-related indicators to assess the level of deprivation in terms of job opportunities.
- 3) **Health:** Examines indicators such as mortality rates, mental health, and disability to determine the level of health deprivation within an area.
- 4) **Education:** Considers school leaver destinations, attainment levels, and other educational factors to assess the level of educational deprivation.
- 5) **Skills and Training:** Evaluates the availability and accessibility of skills and training opportunities within an area.
- 6) **Geographic Access to Services:** Measures access to services such as healthcare, schools, shops, and public transport, considering the distance and travel time required to reach them.
- 7) **Housing:** Considers indicators related to housing quality, overcrowding, and homelessness to identify the level of housing deprivation.

When analysing our housing stock against these statistics we can see it is in areas with some of the highest levels of deprivation across Scotland and it can be assumed from this that many of our tenants are affected by fuel poverty and this is supported by our Housing Officers' experiences supporting them.

The SIMD groups properties into data zones with each data zone give a rank between 1 to 6976 with 1 being having the highest levels of deprivation and 6976 the lowest. Almost all our housing stock (97%) is in the bottom 20% of SIMD ranks and the majority (69%) is in the bottom 5%.

SIMD Rank status	Number of Properties	Percentage of properties
5% or below	3,736	67%
10% or below	1,026	19%
20% or below	386	7%
35% or below	156	3%
70%	8	>1%
TBC	137	3%
Total	5,449	

Tackling Fuel Poverty

We know from our staff experience supporting tenants that many are already impacted by fuel poverty and how their situation has become more even challenging due to rising costs. There were reports of difficulty in managing rent payments and other troubling anecdotes of how they are being affected such as instances of 'Heat or Eat', evidence of long-term self-disconnection of gas pre-payment meters, debt increasing, and heating not being used for fear of rising costs.

The area where our Association can have the most positive impact is through addressing poor energy efficiency as a driver for fuel poverty. The improvement of energy efficiency within rental properties will for the most part be addressed by projects to achieve compliance with the Energy Efficiency in Social Housing 2 (ESSH2) and through affordable heat networks.

An example of how this is already having a positive impact for our tenants is the large scale communal and district heating projects delivered in Springburn and Carron Estates where over 900 properties in high-rise blocks are now benefiting from the highly efficient air source heat pumps which generate multiple units of heat for each unit of electricity used with tenants benefiting directly from this efficiency. As the heat supplier we have taken a socially conscious approach to price setting, with rates set for a kWh of heat significantly below the market rate for a kWh of electricity.

We feel that an ESSH Strategy alone though will not provide sufficient support for tenants across the other drivers of fuel poverty – low income, high energy costs, and tenant energy behaviours. Our efforts in these areas reach beyond the scope of the Asset Management Strategy and we will consider fuel poverty through related strategies such as our Regeneration Strategy (communities, services, support) and Tenant Participation Strategy which can consider how we proactively and reactively identify those struggling with fuel poverty.

Considerations from staff for future strategies addressing fuel poverty:

- Fuel poverty and affordable warmth questions to be added to the 'Getting to know you' survey
- Referral mechanisms to funded Third Party Support Services to be identified and established
- Identify grant funding – funding directly for tenants and for North Glasgow Homes support
- Health and Wellbeing Assessments as part of improvement projects

Enhanced IoT monitoring – Temperature, humidity, and CO2

While Developing the Asset Management Strategy an opportunity was identified to help address by applying to Glasgow City Council for funding to install remote sensors monitoring Indoor Air Quality (IAQ).

Temperature, humidity and carbon dioxide levels can be used to identify properties which are not being heated or ventilated sufficiently and where conditions are developing which could, lead to potential problems relating to the tenant's health and wellbeing and the condition of the property through below optimal temperature and risk of damp and mould developing.

Heat Networks

As a registered social landlord, we understand the importance of sustainable and affordable housing for our tenants. One way to achieve this goal is through the incorporation of heat networks which give us an ideal means to balance the challenge of improving energy efficiency and addressing fuel poverty as they can be both low carbon and highly efficiency with economies able to be passed on to end users – our tenants.

Heat networks, also known as communal and district heating, are systems that supply heat and hot water to one or more buildings from a centralised energy source. They are a highly efficient when compared with traditional individual heating systems across many homes and incorporating zero carbon heating technology and renewables such as heat pumps and solar PV can boost their sustainability credentials even further.

Some of the key benefits to our tenants include:

- **Lower energy bills:** Connection to a district heat network provides a more efficient way of heating properties, which can result in lower energy bills for tenants. The network can also benefit from economies of scale, making it more cost-effective to generate heat than individual heating systems. Incorporating other technologies such as solar and battery storage could reduce energy bills even further.
- **Reduced carbon footprint:** District heat networks can use renewable energy sources, such as geothermal or solar, to generate heat. This means that tenants can significantly reduce their carbon footprint and contribute to the fight against climate change. Even the use of low emission technologies can have an impact on carbon emission reduction against conventional carbon emitting heating technologies.
- **Greater reliability:** District heat networks are designed to be highly reliable and resilient, with multiple sources of supply and redundancy built into the system. This means that tenants are less likely to experience interruptions in their heating.
- **Improved indoor comfort:** District heat networks can provide a more consistent and even level of heating throughout a building, which can result in improved indoor comfort for tenants. This can lead to higher levels of productivity and satisfaction.
- **Reduced maintenance requirements:** With a district heat network, tenants do not need to worry about maintaining their own heating systems, as the system is located within a plantroom. This can reduce maintenance requirements and costs, and free up time for tenants to focus on other things.

Heat Networks Zoning and Feasibility

We will build on our successes and experiences with the roll out of low carbon heat networks across our assets. We will be considering the feasibility and economic viability of preparing our buildings for connection to new or extending existing networks for as many of our assets as possible.

The goals of our Heat Network Zoning and Feasibility Assessment will be to:

- Assess the feasibility and cost-effectiveness of incorporating housing stock within heat networks;
- Ensure compliance with the Heat Networks (Scotland) Act 2021;
- Ensure compliance with the Heat Networks (Metering and Billing) Regulation 2014
- Reduce greenhouse gas emissions and energy costs for tenants; and
- Contribute to Scotland's net-zero target by 2045.

The full scope of the exercise is still to be developed but will take account of and include activities such as:

- Compiling a detailed inventory of all properties, including their location, construction type; energy efficiency, and current heating systems
- Creating a heat network zoning map
- Identifying properties that are suitable for connection to existing or planned heat networks
- Estimate the cost and feasibility of retrofitting properties for heat network connection
- Engage with Glasgow City Council and energy suppliers to identify opportunities for collaboration and support
- Establish partnerships with heat network developers and operators to facilitate connections and access to funding

Energy Efficiency Standard for Social Housing (EESH)

The Energy Efficiency Standard for Social Housing (EESH) was introduced in 2014 with the aim to encourage and support landlords to improve the energy efficiency of social housing in Scotland by setting minimum Energy Efficiency (EE) Rating targets for rental properties to be achieved by landlords.

This supports the Scottish Government's vision of warm, high quality, affordable, low carbon homes resulting in fewer tenants in fuel poverty and a housing sector that helps to establish a successful low carbon economy across Scotland.

In 2017-2018, a review of EESH was carried out and an outcome was the agreement of a second milestone, EESH2, which was confirmed in June 2019 for landlords to achieve by 31 December 2032. The second milestone is that *"all social housing meets, or can be treated as meeting, EPC Band B (Energy Efficiency rating), or is as energy efficient as practically possible, by the end of December 2032 and within the limits of cost, technology, and necessary consent"*.

"In addition, no social housing below EPC Band D should be re-let from December 2025, subject to temporary specified exemptions."

The revised targets reflect the ambition of the Climate Change (Scotland) Act 2019, which sets targets to reduce Scotland's emissions of all greenhouse gases to net zero by 2045 at the latest, with interim targets for reductions of at least 75% by 2030, and 90% by 2040.

Our Assets Compliance with EESH2

Analysis of the current Energy Efficiency (EE) rating of our 5,449 mid-market and socially rented properties shows that 93% (5,039) will require some level of improvement between now and 2032 to achieve an EPC band B.

Most properties not currently achieving EESSH2 are within EPC band C (3,933) and will require improvements of between 1-12 SAP points. Some properties fall into the lowest EPC bandings E, F or G and will require more significant investment.

There are varying levels of compliance across the range of housing types we own as shown in the table below. We expect to see a substantial improvement across the multi-storey flats as they have been subject to recent improvement projects including additional insulation and heating upgrades moving away from electric storage heaters and direct electric heating to highly efficient communal and district heating systems powered with air source heat pumps and supported by solar photovoltaic generation. We anticipate almost all these properties becoming compliant and an exercise is underway now to complete the post EE improvement EPC and review the impact on compliance.

Property Type	Percentage EESSH2 Compliant
Deck Access Property	39%
Multi-Storey Flat	14%
Other Tenement Flat	8%
4-in-a-block	2%
House	1%
Victorian Tenement Flat	>1%

Risk and Estimating the Cost of EESSH2

A key risk relating to EESSH2 is the limited nature of information currently available on what improvements will be required to bring our housing stock to compliant levels of energy efficiency. It is likely that our cost of compliance will be higher than the average estimated costs quoted due to the 'hard to treat' nature of our housing stock with many flats including deck access, multi-storey, and Victorian tenement flats, each of which have their own unique challenges.

When carrying out public consultation on EESSH2 during 2018, the Scottish Government used case studies and the National Housing Model to include estimates of the cost of compliance with the proposed targets. It was estimated that "it would cost an average of £5,500 per house not meeting EESSH2 in 2020 for improvements required to bring 55% of Local Authority housing stock up to the proposed

standard, and an average of **£9,300 per house not meeting EESSH2 in 2020 to bring 87% of RSL stock up to that standard**, at a total cost of £3.4 billion. ¹

If the average of £9,300 was applied to our 5,039 properties which require improvement this would equate to an investment of approximately £47 million.

It is likely that these estimated costs have increased as they were produced prior to the global Covid-19 pandemic, Brexit, and the war in Ukraine all of which have had a significant impact of the cost of living within the UK and will have raised the cost of compliance. According to figures available from the Office for National Statistics construction² costs have risen 9% in the last 12 months alone.

Next Steps

We will conduct a thorough assessment of the current Energy Efficiency (EE) Ratings of our stock to identify the properties that require improvement and to prioritise those with the lowest EE Ratings and greatest potential impact on fuel poverty. This analysis will also include a review of properties with no SAP rating recorded and those which have had EE improvements installed through capital programmes. It is possible that some of these properties are compliant, can be reported as such, and do not need to be considered for further investment in this area.

Taking account of the unique challenges of our housing stock we will consider the cost effectiveness, technical feasibility, and impact of a range of energy efficiency, renewables and low or zero emissions heating for each property to achieve EESSH2 targets.

Outcomes of the modelling and prioritisation exercises will be used to develop of a plan for a pipeline of EESSH2 compliance projects which will support rolling activity of assessment, planning and delivery. We believe this approach will support successful funding applications by having capital ready project with costing and justifications in place already. A key objective of the Investment Plan will be to secure as much capital funding as possible to allow us to have greater impact across our housing stock and earlier improvements in comfort and affordability for tenants.

¹ <https://www.gov.scot/publications/consultation-analysis-energy-efficiency-standard-social-housing-post-2020-eessh2/pages/8/>

²

<https://www.ons.gov.uk/businessindustryandtrade/constructionindustry/bulletins/constructionoutputingreatbritain/constructionoutputingreatbritaindecember2022newordersandconstructionoutputpriceindicesoctobertodecember2022>

Tenement Retrofit Strategy

We anticipate that for our tenements to comply with EESSH2 and to be suitable for connection to low temperature, low carbon heat networks, we will need to reduce their heat demand which will require improvements to insulation.

Retrofitting insulation in tenements can be challenging due to factors such as their heritage, construction, condition, access, and layout. Careful consideration must be given to the materials and design principles used in traditional building when applying modern materials and approaches. This is necessary to avoid unintended consequences which may impact Indoor Air Quality (IAQ), tenant health and wellbeing, as well as potential damage to the fabric of the building.

Our Tenement Retrofit Strategy focuses on the approach we will take to ensuring our traditionally built tenemental assets are given whole-dwelling systemic considerations and how we will overcome some of their specific challenges and mitigate potential risks.

Publicly Available Specification 2035

We will explore various retrofit specifications and if appropriate we will consider adopting the Publicly Available Specification (PAS) 2035:2023 for our retrofit projects and wish to highlight the benefits of this approach when addressing our traditional construction assets. Where PAS is not adopted in full many of the beneficial processes can still be incorporated into delivery, particularly the specifications for the skills, competencies and qualifications of the design team to ensure an expert approach based on learning and experience specific to tenement and traditional building types.

PAS2035 provides a comprehensive and structured framework for the approach to retrofitting energy efficiency measures in existing buildings that supports:

- improved functionality, usability, and durability of buildings
- improved comfort, health and wellbeing of building occupants and visitors
- improved energy efficiency, leading to reduced fuel use, fuel costs and pollution (especially greenhouse gas emissions associated with energy use)
- reduced environmental impacts of buildings
- protection and enhancement of the architectural and cultural heritage as represented by the building stock
- avoidance of unintended consequences related to any of the above
- minimization of the 'performance gap' that occurs when reductions in fuel use, fuel cost and carbon dioxide emissions are not as large as intended or predicted
- protection of the public and the client in relation to retrofit work

The framework specifies the roles to be involved at each stage of the retrofit as well as any specific skills and qualifications required for them to be considered suitable and competent for the tasks they must undertake. PAS2035 encourages collaboration between professionals involved in the retrofit including the client, assessors, architects, engineers, and retrofit installers.

A Retrofit Coordinator is responsible for overseeing the entire journey and ensuring the project can be claimed as being compliant with PAS2035.

Whole Dwelling Assessment, Evaluation, and Planning

The PAS2035:2023 specifies that when treating traditional buildings, the Retrofit Assessor and Coordinator must be suitably qualified, holding a Level 3 Award in Energy Efficiency for Older and Traditional Buildings.

In addition to this, PAS203 also specifies that a 'Assessment of Significance' should be carried out before any work is undertaken to identify any aspects to be protected or taken into consideration, for example architectural features. Where measures proposed may impact an area of significance then it is necessary to then undertake a 'Heritage Impact Assessment.' Both assessments should be carried out in accordance with BS 7913: Guide to the Conservation of Historic Buildings

Emphasis is placed on a thorough assessment of the current building and its insulation, services, status, heritage, condition, and occupancy to identify potential risks and ensure appropriate planning for their mitigation.

A comprehensive approach is taken to Improvement Options Evaluation with the whole building considered as a system with interconnecting components.

If the PAS2035 approach is not adopted many of the skills and qualifications specified for the evaluation and design teams can still be incorporated to bring about the same benefits.

Retrofit Design

The design and implementation of any measures must consider how changes in one area may impact other areas of the building performance and ensures a suitable ventilation strategy is adopted and sufficient consideration is given to factors which can impact performance expectations such as air tightness, thermal bridging, and thermal bypass. This is especially important when considering how to apply modern construction techniques used in the retrofit to a property constructed using traditional materials and techniques and how to avoid unintended consequence such as interstitial condensation.

In addition to the Retrofit Assessor and Coordinator having appropriate traditional buildings skills and qualifications this is also required of the Retrofit Designer. The Retrofit Designer should also be competent in the conservation of traditional and historic buildings as outlined in BS 7913:2013.

Dependant on the type of projects and risks involved PAS2035:2023 specifies requirements for membership of professional bodies which can include:

- Chartered Institute of Building (CIOB)
- Chartered Institute of Architectural Technologists (CIAT)
- Register of Architects Accredited in Building Conservation (AABC)
- Royal Institute of British Architects (RIBA)
- Royal Institution of Chartered Surveyors
- Royal Incorporation of Architects in Scotland (RIAS)

It will also be a requirement that the designer is a member of a building conservation competency scheme.

If the PAS2035 approach is not adopted many of the skills and qualifications specified for the evaluation and design teams can still be incorporated to bring about the same benefits

Post Retrofit Monitoring

A feature of a PAS2035 compliant project is a set of expected outcomes of the retrofit and emphasis on the monitoring and evaluation of the retrofit to ensure high quality of installation, adherence to specified standards, and that expected outcomes are achieved. Where there is a significant variation in outcomes further investigation can be instructed to identify the cause and plan for remediation. Post installation monitoring includes client/householder questionnaires and can include technical monitoring of factors such as air tightness and indoor air quality (temperature, humidity, CO2 etc).

Funding opportunities

Grant funding opportunities for retrofit in social housing at present are predominantly through the Scottish Government's Social Housing Net Zero Heat Fund and Heat Network Fund. Specific to our tenement stock it may also be possible to receive grant funding from Glasgow City Heritage Trust (GCHT) and Historic Environment Scotland who administer a Historic Environment Repairs Grant Scheme. This funding may be more focused on maintaining and repairing existing fabric however ensuring the condition of the property is sufficient before commencing is a key feature of the assessment and planning stages of PAS2035 and could support reduction in total capital costs.

New Development

Our plans for new development over the period of this Asset Management Strategy are in the region of 12 units Social Rent units proposed below.

New Build Development	2022/23 – 2025/26			
	Commercial Units	SR Units	MMR Units	Total Units
Ashfield, Crowhill, Kippen Street, G22	-	12	-	12

Goal 4: To carry out robust data lead Asset Investment Planning including analysis of the Current and Net Present Value of our assets.

Introduction

The Covid-19 Pandemic resulted in significant periods where access to our assets was not possible severely limiting our ability to survey their condition and carry out planned repairs, maintenance, and improvements. The impact of this going into budget year 2022-23 is significant budget of outstanding works in addition to our ongoing investment programme.

The basis of our investment planning is our understanding of what repairs, maintenance, and improvements we may have to carry out across our asset portfolio. For the above noted reasons, we do not have as clear an understanding as we typically would, and Goal 4 sets out our approach to addressing this challenge and ensuring we strive to make sustainable investment decisions and keep our properties in the condition our tenants and stakeholders expect.

Goal 4 Objectives

To achieve Goal 4, we have developed the following objectives:

- To carry out a comprehensive review of our asset investment data
- To develop a 30-year Asset Management Investment Plan
- To carry out analysis of the Net Present Value of our Assets
- Review 30-year investment plan following representative sample surveys

Comprehensive Review of Asset Investment Data

We have recognised the challenge associated with the delays to improvement works and impact on asset condition surveying of the Covid-19 pandemic. We have set an objective of introducing cyclical asset condition surveying programmes which we aim to deliver across a representative sample of asset types to reprofile the investment plan.

In the meantime, we must plan as best we can with what we have and to this end have carried out a thorough, row by row, review and validation of our asset components in our investment database. We have reviewed all lifecycle replacement periods and uplifted costs in line with inflation and actual costs from recent projects.

During the development of our yearly condition survey programmes, we will also consider how to ensure all data collected from surveys can be seamlessly integrated into a database including the creation of components and addition to parent assets.

30-year investment plan

As highlighted, the Covid-19 pandemic has had a significant impact on our investment programme with periods where only health and safety and urgent compliance related works were carried out. We cannot focus exclusively on a programme of 'catch up' works as this would be to the detriment of planned works which include H&S and other compliance related requirements which ensure tenants' homes meet minimum standards.

Our total investment required over the next 30 years is estimated to be £279 million, which equates to an investment of around £10 million per annum. The existing investment profile, using existing component replacement dates, would be extremely challenging to deliver as it resulted in many peaks and troughs in budget requirements.

Investment Analysis

To re-profile our investment requirements a full review of our investment components was carried out giving each a category, priority, and rules around how flexible we could be with regards to when the components were replaced. This information was then used to adjust component replacement dates and create a more even investment on an annual basis.

Four 'Investment Type' categories were created:

- Legislation
- Compliance
- Investment
- Regeneration

The investment categories are prioritised in the order shown above with greatest importance placed on legislation and compliance which include many H&S considerations and for the purposes of smoothing the investment profile should not be delayed.

A 'Net Zero' sub-category was also created to highlight potential for grant funding for energy efficiency measures so that opportunities in any given year can be identified and planned for.

Within each category components were given a priority ranking, flexibility set on whether the components replacement could be either delayed or accelerated, and by how many years either side of the planned date this could be adjusted by.

This revised dataset will form the basis of our revised 30-year investment plan and is a key dataset required for the analysis of our assets Net Present Value and their performance against our requirements.

Net Present Value

As part of this Strategy, we committed to reviewing the Net Present Value (NPV) of our assets. Net Present Value is a useful financial metric for assessing the profitability of an investment. It takes account of the potential income from the property as well as expenses over the asset's lifetime and generates a positive or negative financial projection to support decision-making. NPV also takes into consideration the change in value of money over time and allows for sensitivity analysis through performing simulations of changes such as rental values and interest rates.

The effectiveness of these estimates relies on the accuracy of the data and assumptions used in the 30-year investment plan and highlights again the importance of the quality of the data we hold on our assets and reinforces our decision to undertake such an extensive programme of surveys and analysis of our information.

While NPV is an extremely useful tool for landlords it is not the only metric used to determine if a property is performing. We incorporate NPV into our Asset Performance Matrix, more information on this can be found in the 'Monitoring Performance' section of Goal 2.

Stock Disposal Policy

Our existing stock disposal policy is currently under review and will be updated to include information on how we plan to utilise NPV Analysis and Asset Performance Monitoring to support strategic decision-making with regards to properties which will be considered for disposal or demolition.

Where properties are found to have negative NPV and low performance across a range of metrics they may be considered for disposal in line with our Stock Disposal Policy and with the approval of Glasgow City Council, The Scottish Housing Regulator. We comply with statutory guidance from the Scottish Housing Regulator relating to scenarios where we must consult with tenants and notify the regulator regarding disposals.

Funding Opportunities

We wish to maximise our impact and accelerate improvements to our assets which will bring about benefits to our tenants. One way in which to achieve this is to secure grant funding to reduce the capital

expenditure of projects, either to make them economically viable or bring forward their delivery within our investment programme.

Our teams developing projects will maintain an awareness of potential grant streams from Government and Utilities as well as wider finance options such as lending and the developing carbon credits market. The work that we are undertaking to understand our investment requirements and identify feasible and viable options will result in a pipeline of potential projects with data on their costs and impacts which will ensure we are ready to respond to funding calls.

Where possible we will align our investment priorities with Scottish Government strategies to ensure our goals are aligned and funding applications clearly demonstrate impact against objectives.

Key policies and funding streams to be aware of include:

- Heat Network Act
- Heat Network Fund
- Fuel Poverty Act
- Climate Change Act
- Social Housing Net-Zero Heat Fund
- Energy Efficient Scotland Area Based Schemes
- Energy Companies Obligation

Scottish Government grant funding often comes with requirements for certain standards to be achieved and recently this has included the recently introduced PAS2035 which provides a specification for the Retrofit Process and addresses the risks and unintended consequences which can lead to better performance and a reduction in the 'performance gap' between expectations and reality.

Ensuring that we have well developed pipeline of projects, with robust data analysis and consideration of impacts, technical feasibility and economic viability will support grant funding application processes. This is reflected in our approach to Goal 4 with significant efforts planned to understand the level of investment required.

No specific target will be set for funding to be secured as we do not wish to place reliance for delivery of our Strategy on receipt of funding which is typically subject to competitive bidding process with no guarantee of success. Our goal will be to identify opportunities and to be well placed to respond to them to maximise our impact on any single project and to accelerate the delivery of improvements to our assets.

To support this objective, we have begun to categorise components and investments based on potential opportunities, such as the 'Net Zero' category we have created which includes measures currently

receiving funding from Scottish Government for energy efficiency and decarbonisation. This includes ancillary works which could benefit commercially from cost effectiveness of being delivered concurrently rather than as two separate projects. For example, windows and doors may be replaced at the same time as external wall insulation is installed or solar panels installed during re-roofing projects.

We will work to secure Development Funding from the Social Housing Net Zero Heat Fund to continually carry out technical feasibility and economic viability assessments of our project pipelines to have the evidence base available to demonstrate impact and increase our chances to secure capital funding to deliver the works.

Goal 5: To produce an Asset Management Delivery Plan setting out our path to achieve our goals.

Introduction

We have identified a range of objectives we must implement to achieve our goals and in turn we have identified many of the individual tasks required to complete these objectives. We must have a robust plan in place setting out our approach, documenting the tasks, and allocating responsibility, resource, and timescales to each.

Goal 5 Objectives

To achieve Goal 5, we have developed the following Objectives:

- To capture the key tasks required to deliver each of the objectives we have identified
- To create a plan taking account of the resources, timescales, and dependencies of each task
- To allocate responsibility for the coordination of the Asset Management Delivery Plan
- To implement project governance and progress monitoring

Our Approach

Successful delivery of the Asset Management Action Plan will require effective project management, leadership, teamwork, and collaboration. Some of the approaches we will adopt in the delivery of our action plan are detailed below.

Responsibilities

Our Property Services Team will be responsible for coordinating delivery of the Asset Management Delivery Plan and will effectively communicate roles and responsibilities to those individuals working on specific tasks. Their key role will be motivating and empowering the project team to take ownership of the plan and to create accountability for its success.

Timescale

The Plan covers the 5 Year duration of this Asset Management Strategy. We will consider the sequence and dependencies of tasks to ensure a logical flow of activities. We will assign realistic timelines to each item on the plan setting deadlines for completion and regularly monitoring progress.

Working together

The Asset Management Delivery Plan produced with the Strategy is intended as the starting point and includes many of the individual tasks which will need to be completed but is not intended to be comprehensive at this stage. The plan will require progressive elaboration as delivery starts and the team begin to identify all supporting tasks and plan for their delivery.

The project team will work together on developing the plan and schedule, reviewing its effectiveness, and making necessary adjustments. Regular project meetings will be held to foster communication and collaboration, we will regularly share updates, facilitate discussions, and address any challenges or opportunities together as a team.

Monitoring Progress

Progress will be monitored closely and reported on to key stakeholders and will include updates on any targets or milestones achieved.

Celebrating our Achievements

We will recognise milestones reached along the way to reinforce the purpose of the objectives, helping to establish a sense of achievement and to maintain commitment and motivation for the project.

Asset Management Delivery Plan

We have developed an Asset Management Delivery Plan as a stand-alone operational tool for staff, pulling all items into a specific location and allowing effective monitoring of progress.

CONCLUSION

Our Asset Management Strategy sets out our goals and objectives and our commitment to achieving them and recognises the important in our roles as a social housing provider. We have a direct opportunity to improve the lives of our tenants and wider community as well as reducing our impact on the environment and climate change.

We have considered the challenges posed by increased costs in the supply chain, the cost-of-living crisis affecting our tenants and compounding the impact of fuel poverty, and the disruptions caused by the global pandemic to our ability to survey our assets and carry out essential repairs and maintenance.

We will ensure our stakeholders have a voice and we will actively seek to understand the needs of our staff, tenants, and communities.

We will manage our assets responsibly, achieving compliance and providing warm, safe, and affordable housing to our current and future tenants.

We will improve the energy efficiency of our assets in line with Scottish Government priorities, supporting affordable heating for our tenants and reducing our environmental footprint.

Our Asset Investment Planning will be data-driven allowing us to make well informed decisions.

Our Asset Management Delivery Plan will be our guide to realising these objectives.

Other Related Strategies, Policies & Procedures

- Adaptations Policy
- Asbestos Management Policy
- Clerk of Works Procedures
- Customer Care Policy
- Damp and Mould Policy
- Damp and Mould Investigation Procedure
- Damp and Mould Reporting Procedure
- Design and Specification Policy
- Development Defects Policy and Procedures
- Development Handover Procedures Policy
- Electrical Safety in Multi-Storey Blocks Policy
- Electrical Safety Policy
- Emergency Lighting in Multi-Storey Blocks Policy
- Estate Management Policy
- Fire Safety in Multi-Storey Blocks Policy
- Gas Safety Policy
- Lift Policy
- No Access Policy
- Regeneration Strategy
- Repairs and Maintenance Policy including Water Hygiene and Legionella Control
- Risk Management Strategy
- Stock Disposal Policy
- Tenant Participation Strategy
- Tenants Right to Repair Policy
- Value for Money Strategy
- Void Management Policy

Review of Strategy

The Asset Management Strategy will be reviewed in 3 years, or sooner, if legislative, regulatory or good practice requirements change.