



## Rosehill Housing Co-operative Limited

### Asset Management Plan

2018





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## Introduction

It is important that we know how to manage and maintain our housing assets to ensure that we achieve our organisational objectives and create homes that people want to live in and are proud to do so.

Our vision “To provide excellent quality homes, in well maintained neighbourhoods where our tenants feel safe, and to provide valued services to our tenants and other customers” relies directly on how we manage and maintain our housing assets. We want to have high standard housing while achieving value for money.

The Asset Management Plan outlines the process by which we ensure that our housing assets fully support our strategic objectives and Business Plan needs.

### **Our Plan**

The plan forms an integral part of our business planning needs and the outcomes are embedded in our operational objectives within the Business Plan. We have taken account of the Scottish Housing Regulator’s Recommended Practice on Strategic Asset Management when developing this plan.

### **Purpose**

This plan:

- is a working document
- outlines a framework to manage our housing assets to enable the organisation to have the right assets, of the right quality, in the right place and at the right time
- provides a framework to make prudent investment decisions that support or improve on the assumptions and financial parameters in our business plan.
- outlines how we will invest in our assets as set out in our stock condition surveys so that we have quality homes that people are happy and proud to live in.
- details the delivery of good performance and high levels of tenant satisfaction with contractors.
- takes account of compliance with the appropriate standards and where relevant, local and central government strategies and priorities
- takes account of the key risks in relation to asset management

## **Strategic Linkages**

Asset management is a vital part of our overall approach to achieving our strategic objectives and business plan needs and links to:

- investment planning and funding
- assessment of need and demand
- risk management
- affordability
- tenant participation and sustainable neighbourhoods

## **Governance**

The Management Committee takes decisions on the direction of Rosehill and ensures the good governance of Rosehill and its housing assets. A traffic light system of reporting and monitoring is used to ensure the Management Committee can monitor and review performance throughout the year relating to corporate, housing services, technical services and financial services operational areas. Our annual Business Planning review enables The Management Committee to manage and monitor Rosehill's aims and objectives and this Asset Management Plan will be integrated into the overall business planning reviews.

## **Staff Resource**

We require to have skilled and adequate staff resources in place to ensure that our housing assets are well managed and that the services provided to our tenants are meeting, as a minimum, our performance targets as defined by the operational targets within the business plan.

## **Stakeholders**

We recognise that there are a number of stakeholders who have an interest in our asset management plan. These include:

- Our Tenants and Factored owners
- Our Management Committee and Staff
- Funders and Lenders
- The Scottish Housing Regulator
- Contractors
- The Community

Rosehill will engage with these stakeholders to ensure they are informed about our plan through the following methods:

- Annual Performance Report
- Tenants' Consultation Group
- Newsletter articles/mail shots
- Annual General Meetings
- The Scottish Housing Regulator annual return
- Contractor/Lender/Funder meetings
- Website
- Digital Signage

## Our Homes

We need to understand our stock in terms of size, age, construction and other factors to enable us to efficiently manage what we need to do to them and when. This is integral with forming our cyclical and planned maintenance programmes of work. It is vital that we hold accurate information that is accessible to staff. Rosehill wants to continue to deliver high quality and desirable homes.

Stock information is held in various formats. Our internal software (Omniledger Pyramid) is used to record the following:

- An overall property register
- A repair log for each property, common area/development including completion dates and costs
- A repair request log including where appropriate any inspections undertaken
- Details of any replaced components in a property including specification and replacement date
- A record of service and cyclical works
- SAP ratings
- Any Energy Performance Certificates

Various Excel spreadsheets detail planned and cyclical programmes, asbestos, construction type and stock condition information on a property by property basis. Property floor plans are also held within the electronic property file on our servers and hard copy development operating and maintenance files are also accessible.

### **General Overview of Our Stock**

We own and manage 990 properties for rent in the Pollok area, comprising 988 self contained units and two non self contained units. We have a wide range of property types including one to five bedroom terraced and semi-detached houses and flats in purpose built estates. The build date of our properties ranges from 1938 through to 2018, with three main types of construction. With the exception of one wheelchair standard house all of our self contained rented units are classed as general needs. A number of our new build properties have been built to “for varying needs” standards which do provide some flexibility for tenants and applicants with medical conditions or a level of disability.

As at 30 September 2018 our stock profile for self contained units is as follows:

<b>Age Band Built</b>	<b>No of Units</b>	<b>% of total stock</b>
Pre 1919	0	0%
1919 - 1944	79	8%
1945 - 1964	456	46%
1965 - 1982	0	0%
1983 - 2002	269	27%
Post 2002	184	19%
Total	988	100%

<b>Size</b>	<b>No of Units</b>	<b>% of total stock</b>
1 apt	0	0%
2 apt	118	12%
3 apt	412	42%
4 apt	348	35%
5 apt +	110	11%
Total	988	100%

<b>Type</b>	<b>No of Units</b>	<b>% of total stock</b>
House	643	65%
High Rise	0	0%
Tenement	71	7%
4 in a block	266	27%
Other flat / maisonette	8	1%
Total	988	100%

<b>Construction Type</b>	<b>No of Units</b>	<b>% of total stock</b>
Traditional	544	55%
Wilson Block	115	12%
Timber kit	329	33%
Total	988	100%



We also currently have two supported accommodation units, each with the potential of housing four residents, which provide 24 hour care and support for people with learning disabilities. In 2013, due to rising concerns of a legal and constitutional nature, we decided to review the future of the units. The review was completed by September 2014 and it was decided that the units should be discontinued due to the insurmountable risks facing Rosehill.

Due to the vulnerability of the residents the discontinuation of the units will be handled through a gradual wind down of the units. This will be achieved by not letting any vacancies that currently exist or will arise in the future. However the existing residents will be able to remain in the units for as long as the accommodation continues to meet their needs. As at September 2018 there are five residents in the units: two in one unit and three in the other unit. In the unit that houses two residents during financial year 2018/19 we will look to 'moth ball' some of the rooms in this property in order to minimise the useable floor area of the property.

A factoring service is provided for 31 other properties.

## **Stock Condition**

Rosehill has completed year 1 of a 5 year rolling programme of surveys, approximately 200 surveys are carried out each year. Previously we achieved a 97% survey rate over the last 5 years. These surveys were carried out by both external surveyors and in house survey teams with an overall review against the Scottish Housing Quality Standard criteria carried out by the external surveyors.

The purpose of these surveys was:

- to assess the stock against the requirements of the Scottish Housing Quality Standard (SHQS)
- to ensure that we had an understanding of our stock to enable a long term investment programme to be developed and implemented

We are currently meeting the SHQS criteria across all of our stock. This rolling programme of surveys will ensure that we continue to meet SHQS and assess against any further standards.

## **Future Stock Projections**

Rosehill aims to assist with meeting the continuing demand for homes in our geographical operating area through development of new build homes. In the future we may also have opportunities to add to our stock by property acquisitions from individual property owners and acquisitions via the Barratt Flats Acquisitions Strategy. This is further discussed within this plan under the section of New Development and Other Property Acquisitions respectively.

Our projected movement in the number of homes we own and manage over the next three financial years is as follows:

Year	Current No Of Units	Potential Additions via new build	Potential Other Acquisitions
2018/2019	990	28	12
2019/2020	1030	0	8
2020/2021	1048	10	8

## Our Operating Environment and Legislative Standards

As a Registered Social Landlord we have a responsibility to manage our organisation within the guidance, constraints, good practice and legislative standards imposed on us. These standards greatly impact on what we do with our housing assets and how often we do it.

### Key Legislation

We have to comply with the following key legislations and these determine the way we manage and maintain our stock:

#### Housing (Scotland) Act 2001

- rights for homeless people
- single Scottish Secure Tenancy
- stock transfer to tenant management co-operatives
- strategy for tenant participation
- regulation and performance standards

#### Housing (Scotland) Act 2010

- Scottish Social Housing Charter
- Scottish Housing Regulator

#### Housing (Scotland) Act 2014

- Management of Tenancies
- Abolition of Right to Buy
- Allocations rules
- Short Scottish Secure Tenancies

#### Antisocial Behaviour etc (Scotland) Act 2004

- Duty to prepare and review antisocial behaviour strategies

### Scottish Housing Regulator

We are a registered social landlord with the Scottish Housing Regulator. The Regulator has one statutory objective, to:

"safeguard and promote the interests of current and future tenants of social landlords, people who are or may become homeless, and people who use housing services provided by registered social landlords (RSLs) and local authorities".

Our engagement with the Regulator is currently 'low'.

## **Scottish Secure Tenancy Agreement**

Our responsibilities in relation to our housing assets are detailed in our Scottish Secure Tenancy Agreement and include:

- to keep the house in a condition which is tenantable, wind and watertight and, in all other respects, reasonably fit for human habitation
- a duty to carry out repairs relating to water penetration, rising dampness and condensation dampness. Our duty also includes a duty to take into account the extent to which the house falls short of the current building regulations by reason of disrepair and sanitary defects
- to keep in repair the structure and exterior of the house
- to keep in repair and proper working order installations that we have provided for space heating, water heating and sanitation and for the supply of water, gas and electricity

Tenant responsibilities in relation to our housing assets are detailed in our Scottish Secure Tenancy Agreement and include:

- to pay rent
- to take reasonable care to prevent damage to the house, decoration, fixtures and fittings and common parts
- to make reasonable efforts to heat and ventilate the house using suitable means provided
- to take reasonable care if you have a garden to keep it from becoming overgrown, untidy or causing a nuisance
- to not act in an anti-social manner
- to inform us immediately of an emergency regarding your home

## **Scottish Social Housing Charter**

The Charter, reviewed in 2017, sets the standards and outcomes that all social landlords are expected to achieve when performing their housing activities. For each financial year we are required to:

- provide the Scottish Housing Regulator with key performance information in relation to our achievement of the outcomes
- report on our performance to our tenants and other customers

Specific Charter outcome and standards that are relevant to our housing assets are:

- Standard 4 - Quality of housing
- Outcome 5 - Repairs, maintenance and improvements
- Outcome 6 - Estate management, anti-social behaviour, neighbour nuisance and tenancy disputes
- Outcome 11 - Tenancy sustainment
- Standard 13 - Value for money
- Outcome 14 and 15 - Rents and service charges

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

The Scottish Housing Quality Standard was introduced in 2004 with revised guidelines issued in 2011. It sets a minimum quality standard for all social housing to meet by 2015.

Five main areas (criteria) of assessment are reviewed for each property. These criteria are as follows:

- Must meet the Tolerable Standard
- Must be free from serious repair
- Must be energy efficient
- Must have modern facilities and services
- Must be healthy, safe and secure

We report on an annual basis to the Scottish Housing Regulator our progress to achieving the standard.

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

The Energy Efficiency Standard for Social Housing (EESH) aims to improve the energy efficiency of social housing. It will help to reduce energy consumption, fuel poverty and the emission of greenhouse gases.

We report on an annual basis to the Scottish Housing Regulator our progress to meeting the Energy Efficiency Standard for Social Housing.

## **Procurement**

European and Scottish directives dictate levels and routes. Procurement exercises are carried out in accordance with our Financial Regulations and Procurement Policy.

## **Gas Safety**

The Gas Safety (Installation and Use) 1998 requires that each appliance and flue to which that duty extends is checked for safety within 12 months of being installed and at intervals of not more than 12 months since it was last checked for safety.

## **Electrical Safety**

Periodical inspection of electrical installations is carried out every 5 years.

## **Asbestos**

The Control of Asbestos Regulation 2006 and 2012 and Health and Safety at Work Act 1974 require an asbestos register to be maintained. We also follow our in house procedures as per our Asbestos Policy. Any asbestos identified has been minimal and low risk and has either been managed in-situ or removed.

## **Legionella**

The Health and Safety Executives Approved Code of Practice and Guidance requires the risk associated with legionella bacteria in domestic properties to be assessed.

## **Health and Safety**

Rosehill must fulfil general health and safety requirements in terms of Construction (Design and Management) Regulations and safety of common areas.

## Looking After Our Homes

In order to look after our stock and preserve the value of these homes we must carry out regular maintenance and investment work along with complying with legislative requirements. This section of the plan looks at how we will achieve this.

### Compliance with Legislative Requirements

As detailed in the previous section various legislative requirements are placed on Rosehill and detailed below is our current position relating to the main requirements:

Scottish Housing Quality Standard (SHQS)	We are currently meeting the SHQS criteria across all of our stock. A rolling programme of stock conditions surveys will ensure that we continue to meet SHQS and assess against any further standards. These surveys inform the planned maintenance programme.
Energy Efficiency Standard for Social Housing (ESSH)	Our current assessment shows we meet ESSH across all of our stock. The challenges ahead are demonstrating compliance and we will be taking a proactive role in assessing all of our stock.
Gas Safety	We aim to achieve a 100% of our stock having a valid landlords safety certificate. As of 30/09/18 we have achieved 100%. This is our second year of achieving 100% following a review and change to the gas procedures.
Electrical Safety	We currently have electrical safety certificates for 92 % of our stock. The remaining certificates relate our newer build properties which are not yet required to have a safety certificate. The programme to renew / add certificates is included within our cyclical works programme.
Asbestos	We have carried out surveys of our stock types and where evidence has been found it has been minimal and low risk. Over 50% of our stock has either been confirmed as having no asbestos present or has been built post 2002. A register is held of all asbestos.

Legionella	Risk assessments have been carried out to existing higher risk systems (HMOs) and the risks managed. In other stock areas a programme of conversion to mains water was carried out during 2012 and further risks have been reduced by the replacement of hot water storage tanks with combi boiler systems.
Health and Safety	Regular common area inspections for general H&S issues including window, door and lighting operation are carried out. Where applicable project work is carried out under CDM.

## Reactive Repairs

This relates to repairs that fall outwith the scope of planned and cyclical maintenance. Over the next 30 years we plan to continue to carry out the relevant reactive repairs and spend approximately £17.9 million in the process.

These repairs tend to arise from tenant reported issues or noted by staff during inspections or void works. Our Service Standards along with our Reactive Repairs Service Policy sets out the available service. We categorise repairs as follows and set ourselves target timescales for completion.

Category of Repair	Target Timescale	Description
Emergency	Response within 6 hours	These are repairs which put at risk the health and safety or security of the tenant or significant damage to the property.
Urgent Priority	1 day	These are repairs that are an inconvenience to the tenants and are 1 day qualifying repairs.
Urgent	3 days	These are repairs that are an inconvenience to the tenants but not life threatening or likely to cause further damage to the property
Routine	7 days	These are normal day to day repairs which can be dealt with without serious inconvenience to the tenant and without any further adverse effects to the property.
Qualifying Repair	Per legislation	These are repairs listed in legislation with maximum timescales for completion.

We operate an approved list of contractors for the provision of this service. This approved list of contractors allows us to have a continuity of trades people that build up their own knowledge of our stock.



Quality and contractor performance is internally monitored and reported to Management Committee throughout the year. Our recent Landlord report told us:

- The average time your landlord took to complete emergency repairs was 2.8 hours, compared to the Scottish average of 4.0 hours.
- The average time your landlord took to complete non-emergency repairs was 2.7 days, compared to the Scottish average of 6.4 days.
- We completed 95.4% of reactive repairs right first time compared to the Scottish average of 92.2%.
- We operate a repairs appointment system. It kept 99% of appointments compared to the Scottish average of 95.5%.
- 99% of tenants who had repairs or maintenance carried out were satisfied with the service they received, compared to the Scottish average of 92.1%

Analysis of the reactive repairs helps inform the planned maintenance and development programme of typical life cycles, successful specifications and products.

### **Cyclical Maintenance and Environmental Management**

This is the regular maintenance programme that takes place to ensure the safety of our tenants along with maintaining the appearance of our stock and surrounding common areas. The items contained within this programme are:

- Gas Safety Checks
- Gutter Cleaning
- External Painterwork
- Communal Fan Servicing
- Anchor Bolt Safety Checks
- Electrical Inspections
- Smoke and Carbon Monoxide Detector Safety Checks
- Close Cleaning
- Open Space Maintenance including Garden Assist Scheme

We have several companies which carry out our cyclical maintenance and over the next 30 years we will be spending nearly £12.6 million to deliver this programme.

## Planned Maintenance (Investment)

We carry out planned maintenance to ensure that our homes continue to meet our vision of providing excellent quality homes and meet and even exceed the current SHQS. These planned works are the works to replace major building components as they wear out. We also address any areas of environmental works that may require improvement or upgrading. The current programme of works over a 30 year period is linked directly to the stock condition surveys that we have undertaken.

We plan to invest £58.6 million over the next 30 years and over the last 4 years have completed the following works:

<b>Stock Area (no. of units)</b>	<b>Year</b>	<b>Description of Works</b>	<b>Cost (approx)</b>
Rosewood (17 units)	2014	Replacement kitchens and boilers	£96k
Priesthill Tenements (24 units)	2014	Replacement kitchens and boilers	£85k
The Lindens (35 units)	2014	Replacement kitchens and boilers	£166k
Originals Stock (377 units)	2014/15	Replacement bathrooms	£406k
Johnsburn (45 units)	2015/16	Replacement kitchens and boilers	£167k
New Hurlet (32 units)	2016/17	Replacement kitchens and boilers	£109k
Hurlet Tenements (55 units)	2017/18	Replacement communal ventilation	£47k

Our external consultants Reid Associates have prepared life cycle costings based on our perceived specifications for renewals and agreed anticipated life cycles for the components along with the stock condition results. This information is used to inform our 30 year financial projections to ensure we have addressed the longer term investment projections. In terms of delivery of the planned programme we tend to focus on the short term basis, 1 -10 years to deliver the programme of works.

In the short term programme we take a view based on several factors; the type of work to be undertaken; the need to adjust any replacement cycles due to early failure of a component; new legislation; good practice. These factors can shape the short term programme to deliver the most economic solution.

In 2013 Rosehill took the decision to package the coming 4 years worth of planned maintenance work into one contract. This decision was based on the following reasons:

- To minimise staff and consultants time on the procurement of contractors
- To develop an efficient working relationship with a contractor

- To achieve value for money by awarding a larger package of work

This has been a successful approach to delivering our planned works and we are likely to use this approach to deliver subsequent years of the planned maintenance programme. We may also utilise Procurement Clubs and established open frameworks where this will increase efficiencies and deliver value for money.

Over the next 5 years we plan to carry out the following works:

<b>Stock Area (no. of units)</b>	<b>Year</b>	<b>Description of Works</b>
Original Stock (378 units)	2019/20	Replacement external doors, windows and radiators
All stock	2019/20 2020/21	Upgrade of smoke alarms
Rosewood (17 units)	2021/22	Replacement external doors, windows and bathrooms
The Lindens (37 units)	2020/21 2021/22	Replacement external doors Replacement bathrooms
Johnsburn (45 units)	2021/22	Replacement external doors and windows
Priesthill Tenements (24 units)	2021/22	Replacement external doors and windows
New Hurlet (32 units)	2022/23	Replacement external doors and windows
Rosehill Cottages (26 Units)	2019/20	Replacement kitchens and boilers
Turnberryhill (50 units)	2020/21	Replacement kitchens and boilers
Hurlethill (54 units)	2021/22	Replacement kitchens and boilers
Overtown Cottages (8 units)	2021/22	Replacement kitchens and boilers

## **Empty Houses**

We acknowledge the need to minimise the time a property remains empty (void) and this is a high priority for Rosehill. Our 2017/2018 Landlord report told us we took an average of 6.7 days to re-let homes, compared to the Scottish average of 30.7 days.

In our financial year 2016/2017 the number of older original stock properties becoming empty has had an impact on our re-let times with most taking over 20 days to complete repairs. In many cases investment works were completed during the void period to minimise disturbance to tenants.

Turnover of stock has remained relatively static over the past three years. There has been a slight increase this year due to internal transfers moving into new-build stock. Some tenants have also moved in to home ownership with the new build shared ownership properties being built in the area by Sanctuary Scotland HA.

#### Turnover of Housing Stock

Year (1 <sup>st</sup> Oct to 30 <sup>th</sup> Sept)	No. of Voids	Turnover as a % of all stock
2015/16	34	3.5%
2016/17	32	3.32%
2017/18	37	3.74%

In comparison to similar RSL's in the area our turnover is low and much lower than the Scottish average. The table below shows a comparison to local RSL's and the Scottish average for 2017/18.

Rosehill	Glenoaks H.A.	Sanctuary Scotland H.A.	Glasgow H.A.	Scottish Average
3.74%	9.48%	5.95%	8.55%	8.56%

Our Lettable Home Standard sets out what standard a tenant can expect their new home to be like when they move in. This document was prepared with the help and input from our Tenants' Group, Rosehill Tenants' Voice.

#### Neighbourhood Management

Rosehill is responding positively to feedback from tenants reflecting dissatisfaction with the neighbourhood. The issues affecting tenants' level of dissatisfaction with the neighbourhood tend to be outwith Rosehill's direct control. In response to this, we established a Neighbourhood Management Strategy and Action Plan, enhanced our partnership working, increased monitoring of our Ground Maintenance Contractor and created a survey to gauge levels of satisfaction with the service. We also restructured the Housing Services Section, splitting the staff team into two sections; Income Maximisation and Generic, to ensure there were adequate resources in place to deal with issues affecting the neighbourhood.

In addition to this we have our own robust systems for tackling neighbour disputes and Anti-Social Behaviour. We hold Silver Service Membership of the Community Safety Glasgow Scheme which assists us in tackling and preventing these complaints.

It is important that our properties are located in neighbourhoods that are sought after and desirable to stay in. We regularly maintain any common areas within our housing developments and our cyclical maintenance programme includes for a Ground Maintenance Contract. This contract ensures that Rosehill does its part in the up keep of the neighbourhoods we are operating in by carrying out works including grass

cutting, weeding, pruning, sweeping paths and hard standing areas. Within this contract we also visit all our areas twice a month to remove litter and any bulk items and provide a garden assist service for qualifying tenants.

## **Energy Performance**

In addition to the energy efficiency criteria set within SHQS as a landlord we must provide an Energy Performance Certificate (EPC) for every unit that is built or has had a change of tenancy. These EPCs detail the property in term of energy efficiency and state measures that can be carried out to help save energy. As an RSL we are able to seek funding for some of these measures through government schemes such as HEEPS or Warm Home Fund. By maintaining a good relationship with the Energy Savings Trust we can be alerted to all available funding streams.

In order to continue demonstrating compliance with EESSH we are taking a proactive role in assessing all our stock with a view to long term planning past EESSH and onwards towards EESSH2.

## **Successful Houses**

Most of our houses are successful. They are desirable houses, well designed and constructed, and in demand. These houses are within neighbourhoods desired by future tenants.

We need to further develop our approach for analysing both financial and neighbourhood performance. This will be done by splitting our homes into value groups that can be review on an area by area basis.

## **Problem Houses**

We do not currently have any houses that in the short to medium term would be deemed as problem or cause for concern properties due to the strong demand for all our homes.

Our most difficult houses to let are 7 x 5 apartment maisonette properties in our tenements at the Hurlet. These houses when empty have presented us with challenges in re-letting in the past. We will consider whether or not to convert these into smaller houses when they become vacant.

## **New Development**

Our current development is delivering 48 new homes across two sites and this is funded from Glasgow City Council via the Scottish Government with the shortfall being self funded by Rosehill. These additional homes will further enhance the asset base of Rosehill and aligns itself with our vision.

External consultants have been employed to deliver the homes and this is supported by our own in house staff. Particular attention has been focused on the end product being a low maintenance, desirable property within the constraints of a financial viable model. A traditional procurement route has been utilised to achieve our requirements on programme, cost and quality.

We will strive to continue to develop more new housing to contribute to Glasgow City Council's Housing Strategy incorporating the Scottish Government's Affordable Housing Supply Programme to deliver 50,000 affordable homes throughout Scotland. The opportunities to develop may be suppressed by the availability of land within the local area but we will actively attempt to acquire any suitable land.

Our Programme agreement with Glasgow City Council for 2018/19 has allocated a level of grant (and projected grant for the following two years) in relation to the former Gowanbank School site for the provision of approximately 60 new homes. We anticipate potential site acquisition in 2019.

### **Other Property Acquisitions**

We have purchased individual properties from owners and it is our intention to continue to do so where this helps us meet our objectives. To help with meeting housing need and to increase our stock numbers, we will continue to buy properties on the open market and where sellers approach us direct. We will also continue to participate in the Government's Mortgage to Rent scheme where doing so supports our objectives. Many of these properties now give us the majority ownership within blocks of properties which in turn enables a greater control of the asset management of that block.

We currently partner with Glasgow City Council to help deliver a scheme of improvement works to a private flatted development that sits immediately opposite our stock. The works will be completed over three phases with the first phase now being complete.

We now have in place an Acquisitions Strategy to potentially acquire ownership of some flats contained in this development known locally as the Barratt flats. These acquisitions will be part financially supported by Glasgow City Council via the Scottish Government. The acquisitions are to help diversify the tenure mix and facilitate a factoring role. We will also consider acting as factor. It is our intention to carry out a risk assessment and financial modelling and to seek certain assurances from the Council prior to making a decision.

### **Owners in Blocks**

Our Factoring Policy along with our Statement of Service outlines a clear approach to the engagement required with these owners. Currently we provide factoring services for 31 properties, for which we have sharing ownership responsibilities with.

We also are the non majority owners of 6 properties within 4 blocks which GHA has the role of factor. The approach GHA takes to factoring and asset management is acceptable.

### **Achieving Value for Money**

Our primary income is generated through our rents and is therefore fixed. Rosehill must ensure that the money spent on our assets is balanced between cost and quality.

We carry out all our procurement exercises for either work or professional services in accordance with our Procurement and Tendering Policy. This enables us to demonstrate value for money through robust procurement exercises carried out in open competition, often packaging together similar works. Our architectural and quantity surveying/ employers agent professional roles have formed into framework agreements.

As detailed under the planned maintenance section, Rosehill took the decision in 2013 to package the coming 4 years worth of planned maintenance work into one contract. We also have longer term contracts to deliver gas servicing and reactive repairs relating to heating along with the framework agreements for architectural and quantity surveying/employer agent role. The approach we took with all these contracts was to deliver on the value for money aspect by:

- minimising the expenditure on annual procurement cost of contractors
- minimising the expenditure on a project by project basis of consultants' fees
- maximising opportunities for cost benefits to be derived from longer, higher volume contracts

Careful selection of the involved parties was made via assessing pre-qualification questionnaires following publically advertising the contracts on the Public Contract Scotland website. This created a shortlist of potential participants which were then assessed for standard references and financial checks following which interviews occurred and tenders were then submitted. Contracts were awarded on the basis of quality / price submissions. Cost levels are fixed for a two year period with subsequent years being subject to adjustment by RPI or CPI.

Where open competition exercises have not been used selective market testing has been utilised to assess value for money. This is particularly the case with our approved list of contractors where annual rates are checked against competitors using market testing and known data / cost information from our Quantity Surveyor. This approach is currently being reviewed to ensure that the Procurement Reform (Scotland) Act is being adhered to. Rosehill's Financial Regulations also assist in ensuring that the appropriate people are making informed decisions regarding spend on our assets.

## **Other Assets**

We currently own some potential development land. These two sites only lend themselves for a small number of homes to be built and at this time are not economically viable. In the future we may consider adding the land to any other larger development site or utilise them to build some pilot energy innovative homes.

## **Insurance**

We ensure that our homes are comprehensively insured.



## Understanding Our Customers

We acknowledge that asset management is not exclusively about maintaining the quality of our homes. It encompasses the need for our homes to be in high demand and provide the associated rental income. This section of the plan outlines how we achieve this.

### Tenant Involvement and Tenant Profiling

A significant exercise is ongoing to ensure Rosehill understands and embeds the views of its tenants in all of its activities. Rosehill has a small group of tenants, known as Rosehill Tenants' Voice. This group creates a greater role for our tenants in influencing the decision making processes. During the coming financial year we will be aiming to increase the membership of this group.

We are currently gathering comprehensive data on our tenants in order that the profile information can influence the decisions we make in ensuring we are delivering services in the most effective way. Rosehill recognises that this will be a continuous process with changing demographics.

### Demand

#### Live Applicants

At 30 September 2017 the number of live applicants on Rosehill's Waiting Lists was 454.

Demand for stock in Rosehill's demographic area of operation remains strong. The table below shows the number of applicants on our waiting lists as at September 2013 compared with the number of applicants for 2014, 2015, 2016 and 2017. During 2016/17 we joined the Housing Options partnership and this is the reason for the slight drop in applicants. Everyone applying for housing is interviewed and given their options some people then choose not to carry on to full application with us but to take up one of the other options offered. The waiting list is subject to an Annual Review.

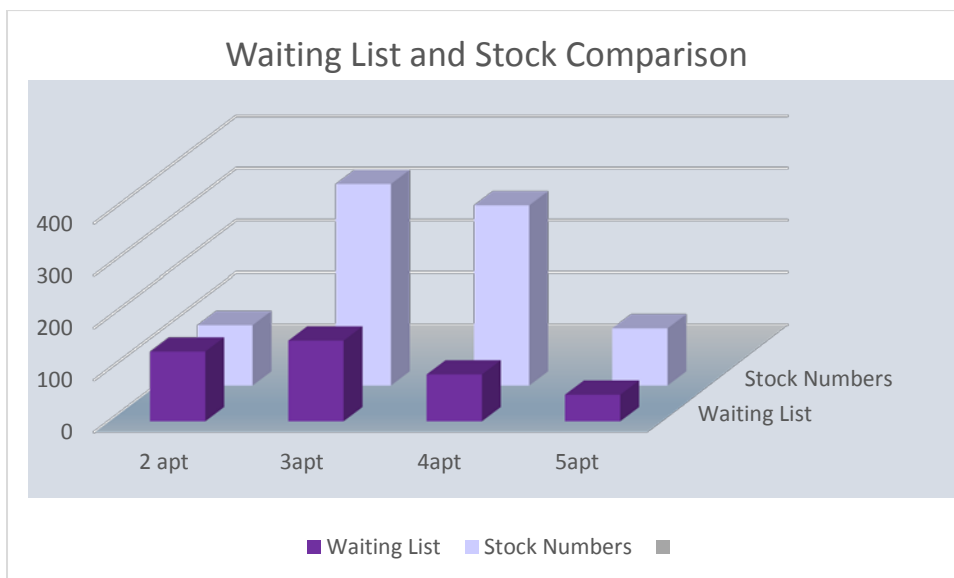
Year	30/09/2013	30/09/2014	30/09/2015	30/09/2016	30/09/2017
Total number of applicants on waiting list.	600	614	589	523	454

The number of applicants on waiting list by apartment size had also remained consistent over 5 years with the drop for housing options in 2017. The number of applicants requesting 2 and 3 apartments making up the largest numbers waiting to be housed. for re-housing.

Size	2 apt	3apt	4apt	5apt
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2012/2013	238	224	101	37
2013/2014	258	218	94	44
2014/2015	231	217	94	47
2015/2016	203	185	89	46
2016/2017	134	155	90	51

The following table compares the waiting list as at 30/09/17 with our current stock profile



## Future Demand

Due to the shortage of rented accommodation within Greater Pollok our future demand should remain high. We will closely monitor demand to make sure we have a healthy waiting list for all our stock. The Scottish Government has committed to build 500,000 new social rented homes across Scotland to meet the needs of the growing population. We will continue to assist the Government in meeting this target.

## Retaining Our Tenants

We offer up to 25% of our vacant properties to our own tenants wanting to transfer to a larger or smaller home. Our tenants can also swap homes with other Rosehill tenants and tenants of other social landlords.

We maintain effective relationships with new tenants through accompanied viewings and sign up process and after the tenancy has commenced we do a settling in visit at 4 weeks and then again at 3 months.

We have also adopted the Housing Options module. This approach offers realistic, up to date and in depth advice to anyone who may need housing. It also aims to help

people make informed choices about their housing options, prevent homelessness and help sustain their tenancies.

Every year we apply to Glasgow City Council for grant funding, made available via the Scottish Government, to enable adaptation works to be carried out to tenants homes to enable them to continue to live in their home. These works can include such items as a wet room or additional handrails and we work closely with the community occupational therapists to provide this service.

As part of our Open Space Maintenance contract we operate a garden assistance scheme. This enables tenants who meet the eligibility criteria to apply to have their gardens maintained and we review this list on an annual basis. We also offer one off garden assistance to enable tenants to make their gardens more manageable and we also provide the service during a period of ill health.

### **Welfare Rights Service**

As part of our action plan to mitigate the potential impact of the various Welfare Reforms we have a Welfare Rights Service that our tenants can access. This service involves the employment of a dedicated Welfare Rights Advisor who provides a free comprehensive income maximisation service.

### **Performance Management in connection with Housing Management Services**

Organisational performance management is monitored internally and reported to Management Committee throughout the year.

Performance Indicator	Year 2016/17	
	Target	Achieved
Rent collected as % of rent due	100%	100.13%
Total Gross Rent Arrears	3.95%	2.84%
Void Rent Loss	0.20%	0.06%
% of lettable houses which became vacant	4.5%	3.55%
% of new tenancies sustained for more than a year	95%	100%

## Joined Up Planning

The asset management plan outlines how we will manage and maintain our houses, it supports the Business Plan by providing a platform that can inform stock investment decisions.

### **Projections**

Good base information gathered from our stock conditions surveys and reactive repairs informs our life cycle costings. These costings are integrated into the 30 year business plan projections. Our business plan projections take account of any perceived threats to our financial viability including welfare reform.

### **Annual Budgeting**

Our annual budgets are approved by Management Committee. Approval procedures are in place along with limits as defined in the Scheme of Delegated Authority Policy. Contract reporting procedures are also in place to ensure comparisons of actual costs v budgeted costs are presented to the Management Committee on a regular basis.

### **Financing Investment**

We currently plan to finance all our repairs, planned and cyclical maintenance and development internally without the need to raise private finance. Where it is available external grant funding will be used.

### **Performance Management**

Through the operational plans contained in our business plan, targets are set to ensure delivery of the objectives that are set out in the business plan. Many of these objectives relate to outcomes that are embedded in our asset management plan. A traffic light system of monitoring is used to ensure the Management Committee can monitor and review performance throughout the year.

We undertake benchmarking and we produce an Annual Performance Report against the Charter for our tenants and other stakeholders.

### **Affordability**

We endeavour to keep our rents at a level our tenants can afford while ensuring our rental income generates enough money to pay for the goods and services which will allow us to carry out our vision as stated in our business plan.

Rosehill's average weekly rents compare favourably with the average rent levels for other landlords and are reviewed on an annual basis.

#### Average weekly rents 2017/18 by apartment size

##### 2 apts

Rosehill	Barrhead H.A.	Glen Oaks H.A.	Glasgow H.A.	Sanctuary Scotland H.A.	Scottish Average
£63.92	£73.72	£77.78	£73.40	£73.44	£73.33

##### 3 apts

Rosehill	Barrhead H.A.	Glen Oaks H.A.	Glasgow H.A.	Sanctuary Scotland H.A.	Scottish Average
£71.91	£86.46	£81.64	£79.19	£84.35	£74.94

##### 4 apts

Rosehill	Barrhead H.A.	Glen Oaks H.A.	Glasgow H.A.	Sanctuary Scotland H.A.	Scottish Average
£71.53	£92.55	£88.72	£92.71	£92.38	£81.37

##### 5 apt +

Rosehill	Barrhead H.A.	Glen Oaks H.A.	Glasgow H.A.	Sanctuary Scotland H.A.	Scottish Average
£76.39	£112.90	£110.29	£101.72	£98.32	£90.39

#### Average weekly rents 2017/18 for all properties

Rosehill	Barrhead H.A.	Glen Oaks H.A.	Glasgow H.A.	Sanctuary Scotland H.A.	Scottish Average
£71.31	£83.68	£85.05	£80.37	£86.18	£76.23

## Risk Management

Asset Management risks form part of our overall approach to risk and are contained within our Business Plan. We identify the most material risks to which we are potentially exposed.

The Asset Management Plan helps mitigate risk by giving us a clear understanding on what we need to do to get the most out of our assets. The Technical Services team meet monthly to discuss risks in relation to the assets we own and manage.

## **Review**

In conjunction with our Business Plan this Asset Management Plan will be reviewed on an annual basis.