



**EASTHALL
PARK**

Asset Management Strategy

January 2019

1.0 Introduction

The asset management strategy outlines how Easthall Park Housing Co-operative will manage and maintain its housing stock.

The strategy has been developed to support Easthall Park's strategic plan by providing a framework that can explain and guide stock investment decisions.

2.0 Context

Easthall Park's housing stock is comprised of 695 tenanted and 54 factored properties in Easthall and Kildermorie areas.

During the duration of the organisation's strategic plan for 2019/20 it is not anticipated there will be an increase in stock numbers.

Easthall Park Housing Co-operative took ownership of its initial stock in 1992 and over the past 20 years the stock portfolio has incrementally increased in size.

The stock is a mix of tenement rehab and new build which varies in size from 1 apartment properties to 5 apartment properties.

The stock is generally in good condition and of high demand. The average re-let figure compares strongly against the performance of most other landlords. Tenancy sustainment is high. The main strategic challenge facing the business is the fact that demand exceeds supply.

In November 2016 our residents' survey, which consisted of face to face surveys with 40% of our residents, stated that 99% of our tenants were satisfied with their home

Overall satisfaction remained consistent with 94% reported in the 2014 survey.

Table 1 provides a list of the housing stock for social rent by housing type, age and apartment size.

House Type	No	%
House	320	46
Tenement	240	35
Other flat/maisonette	135	19
Total	695	100

(Table 1cont)

<u>Age</u>		
1945-1964	232	34
1965-1982		
Post-1982	463	66
Total	695	100
<u>Size</u>		
1 apt	17	3
2 apt	83	12
3 apt	391	56
4 apt	152	22
5 + apt	52	7
Total	695	100

The strategic plan outlines the purpose and sets the direction for Easthall Park in the next few years. A key strategic objective in this plan is “providing *quality homes and an attractive environment*”. The asset management strategy is a key document in this context, as it outlines how Easthall Park will manage its housing assets and resources to achieve this objective.

3.0 Scottish Housing Quality Standard (SHQS)

The SHQS were introduced in 2004 and all social housing providers in Scotland had to have all owned stock fully compliant with the standards by 2015 or apply for exemptions of properties that were unable to meet the SHQS criteria.

The SHQS has 55 elements within 5 housing criteria. The standard requires all dwellings to:

- Meet the tolerable standard
- Be free from serious disrepair
- Be energy efficient
- Be equipped with modern facilities and services
- Be healthy, safe and secure

All our housing stock is compliant with SHQS. This information has been externally verified by the independent consultants we employ throughout the years to carry out stock condition surveys on behalf of Easthall Park.

Easthall Park has a rolling programme of inspections to check SHQS compliance and inform investment needs. Since 2013 we have surveyed 365 (53%) individual properties and 100% of our external stock.

Our stock information has been compiled using our most recent new build housing data at Kildermorie Phase1 & 2 and current stock condition surveys. The combined information provides component life cycles and directs our investment programme for the short, medium and long term.

In 2017 Brown & Wallace were confirmed as our preferred consultant to deliver our current stock conditioning surveys after a thorough and robust tender exercise.

At the time of this report, year 2 of the contract is ongoing and the final total of surveys may increase slightly from previously stated figures.

The data from our external consultants inspection exercise is analysed and subsequently integrated into the long-term financial forecasts, which is overseen by Easthall Park's Senior Management Team.

4.0 Energy Efficiency Standard

Easthall Park staff were part of the original Scottish Government working group that produced the Energy Efficiency Standard for Social Housing (ESSH) 2020. Easthall Park has again participated in the review group which has looked at the Energy Efficiency targets for 2032 and beyond.

As previously noted the Scottish Government are currently revising the 2020 standards and it is envisaged that the standard of energy efficiency within the social housing sector will increase, which will require further analysis of the impact on the Co-operative and its stock. All updates will be communicated when the Scottish Government release more information.

We will continue to monitor compliance with the current 2020 ESSH standard for reporting purposes.

Previously we commissioned a consultant to undertake thermal imaging of our tenement stock. This provided value by identifying where heat is lost and helped inform what improvement measures were necessary.

We have a strong track record in securing grant support to assist energy efficiency improvements. A Community Energy Savings Programme grant of over £100,000 allowed new heating systems to be fitted earlier than planned in 2011/12.

In 2015 we carried out a comprehensive external fabric programme to certain SST stock with support of over £100,000 through the Home Energy Efficiency Programme. During 2016 we undertook an additional external fabric programme to remaining SST stock with funding assistance of £250,000 through the Home Energy Efficiency Programme Cashback Scheme.

Easthall Park identified key areas which required works to be carried out to make them compliant with EESSH 2020. We analysed all available data (existing EPC's) and it became apparent that the properties which did not meet the standards were predominately the properties which were transferred from GHA. These properties had a number of EESSH fails within the stock; however this was addressed by the External Wall Insulation (EWI) projects that took place in 2015 and 2016 at the following properties.

- 41, 43, 45 and 99 Wardie Road
- 9 Edderton Place
- 24, 26, 28 & 34 Westerhouse Road
- 5,7,9 Glenburnie Place

Easthall Park plan to carry out veranda remedial and upgrades to 9 Edderton Place and 5, 7, 9 Glenburnie Place and 41, 43, 45 Wardie Road which were all previously GHA transfer properties to assist with retaining heat within the property whilst improving the aesthetics of the properties.

We do not have any further fixed programmes for energy efficient projects, however a financial reserve has been inserted in future budgets that allows EHP to apply for additional funding if it became available in the coming years to assist with carrying out further energy improvements to our stock if required.

The additional financial provision for the coming years is as follows.

- 2018/19 - £50,000
- 2019/20 - £100,000
- 2020/21 - £50,000
- 2022 – 2032 - £50,000 per year for 10 years

The current analysis of Energy Performance Certificates demonstrates the following:

- Number of Properties that Pass & Fail EESSH 2020:

	Number	% of stock
Passes	673	96.8%
Fails	22	3.2%
Exemptions	0	0.0%
Total	695	100.0%

- This data has been collated from the following sources:

Source	Number	% of stock
Live EPCs	507	72.9%
Cloned EPCs	174	25.0%
Stock Condition Survey Info	14	2.0%
Total	695	100.0%

- EESSH 2020 Passes by Phase:

Area	Number of Passes	Live EPC	Cloned EPC	Stock Cond. Survey
Phase 1	9	2	5	2
Phase 2	35	12	22	1
Phase 3	48	10	35	3
Phase 4	52	24	24	4
Phase 5	48	43	5	0
Phase 6	68	68	0	0
Phase 7	53	50	3	0
Phase 8	50	46	4	0
Phase 9	90	19	68	3
Kild 1	76	76	0	0
Kild 2	70	70	0	0
GHA1	10	10	0	0
GHA2	24	24	0	0
GHA3	12	12	0	0
GHA4	16	16	0	0
GHA5	12	11	0	1
Total	673	493	166	14

- EESSH 2020 Fails by Phase:

Fails	Number of Fails	Live EPC	Cloned EPC	Stock Cond. Survey
Phase 1	9	2	7	0
Phase 2	2	1	1	0
Phase 3	1	1	0	0
GHA1	1	1	0	0
GHA3	4	4	0	0
GHA5	5	5	0	0
Total	22	14	8	0

- Out of 695 properties, EHP have 507 live completed EPC's and 174 cloned EPC's and 14 Energy tests carried out as part of B&W stock condition surveys
- Out of 507 live EPC's there are 14 fails
- Out of 174 Cloned EPC's there are 8 Fails
- Combining 507 completed live EPCs and 174 cloned EPCs and 14 Energy Tests minus the combined 22 fails means that for 673 of our properties are able to demonstrate effectively that they are compliant with the Scottish Government's carbon emission reduction target for 2020
- Using the data available EHP currently have approximately over 2/3rds of our properties tested whilst the remaining properties will be tested or cloned in the coming years. This will assist in planning future works to make our stock energy efficient.

Table of EPC's that Currently Fail EESSH 2020

Phase	1	2	3	GHA 1	GHA 3	GHA 5	TOTALS
No of live EPC fails	2	1	1	1	4	5	14
No of Cloned EPC fails	7	1	0	0	0	0	8
TOTAL Fails	9	2	1	1	4	5	22

Data to convert fails into passes

Address		Heating Source	Information source	Current EPC RATING	Current EPC Score	EESHS 2020 Pass Criteria	Points needed to become pass	Potential Score with works	Bulbs	Boiler	CWI	EWI	Draft	Floor I	Loft I
35 WARDIE ROAD	Flat 0/2	Gas	Live EPC	D	66	69	3	75	1	8	4	:	:	:	:
37 WARDIE ROAD	Flat 0/1	Gas	Cloned	D	68	69	1	74	2	4	:	:	:	:	:
37 WARDIE ROAD	Flat 1/1	Gas	Cloned	D	68	69	1	74	2	4	:	:	:	:	:
37 WARDIE ROAD	Flat 1/2	Gas	Cloned	D	68	69	1	74	2	4	:	:	:	:	:
37 WARDIE ROAD	Flat 2/1	Gas	Cloned	D	68	69	1	74	2	4	:	:	:	:	:
39 WARDIE ROAD	Flat 0/1	Gas	Cloned	D	68	69	1	74	2	4	:	:	:	:	:
39 WARDIE ROAD	Flat 0/2	Gas	Live EPC	D	68	69	1	74	2	4	:	:	:	:	:
39 WARDIE ROAD	Flat 1/1	Gas	Cloned	D	68	69	1	74	2	4	:	:	:	:	:
39 WARDIE ROAD	Flat 1/2	Gas	Cloned	D	68	69	1	74	2	4	:	:	:	:	:
35 EDDLEWOOD ROAD	Flat 0/1	Gas	Live EPC	D	66	69	3	74	:	4	5	9	:	:	:
35 EDDLEWOOD ROAD	Flat 0/2	Gas	Cloned	D	66	69	3	74	:	4	5	9	:	:	:
8 EASTHALL PLACE	:	Electric	Live EPC	D	60	65	5	75	:	15	:	:	1	2	:
85 Wardie Road	Flat 0.2	Gas	Live EPC	D	62	69	7	76	2	12	6	:	:	:	:
85 Wardie Road	Flat 1.1	Gas	Live EPC	D	65	69	4	77	2	11	7	:	:	:	:
85 Wardie Road	Flat 1.2	Gas	Live EPC	D	65	69	4	79	2	16	9	:	:	:	:
87 Wardie Road	Flat 0.2	Gas	Live EPC	D	68	69	1	76	2	:	:	:	:	:	:
89 Wardie Road	Flat 1.2	Gas	Live EPC	D	60	69	9	72	2	4	:	:	:	:	:
97 Wardie Road	Flat 2.1	Gas	Live EPC	D	66	69	3	74	2	7	:	:	:	:	1
97 Wardie Road	Flat 2.2	Gas	Live EPC	D	60	69	9	74	2	7	:	:	:	:	1

(Cont)

Address		Heating Source	Information source	Current EPC RATING	Current EPC Score	EESHS 2020 Pass Criteria	Points needed to become pass	Potential Score with works	Bulbs	Boiler	CWI	EWI	Draft	Floor I	Loft I
101 Wardie Road	Flat 2.1	Gas	Live EPC	D	67	69	2	77	1	7	:	:	:	:	2
103 Wardie Road	Flat 0.2	Gas	Live EPC	D	64	69	5	71	2	:	:	:	:	:	:
34 Westerhouse Road	Flat 0.2	Gas	Live EPC	D	67	69	2	75	2	:	1	:	:	6	:

- There may be the odd property non-compliant and for these we may be seeking exemptions e.g. we currently have 6 homes that have electrical heating in which we are requesting that tenants change to gas which will allow them to meet the new standard, however if they do not wish this upgrade we will therefore seek exemptions for these properties if they continue to fail.
- Overall we are satisfied that almost all of our stock will be 100% compliant with EESHS 2020 by 31st December 2020 by continuing to upgrade all required properties with:
 - A+ energy efficient boilers
 - Loft Insulation
 - Draft Proofing
 - Energy Saving Bulbs
 - Convert existing electric heating to gas central

5.0 Reactive Maintenance

This relates to reactive repairs to the housing stock and repairs to empty homes. The service standards are set out in Easthall Park's Maintenance Policy and information sheets are available to service users.

Since 2010, Easthall Park initiated a significant change in how the reactive maintenance service was delivered. Easthall Park moved from small specialist contractors to a single multi-trade contractor.

This change in strategic direction was predicated by a drive to control cost, improve performance and increase tenant satisfaction.

The November 2016 external residents' satisfaction survey stated that 97% of our tenants surveyed were satisfied with the overall repairs service. This is a significant increase in tenant satisfaction on what has been reported in previous years.

- 2010 - 92%
- 2012 - 86%
- 2014 - 87%

As of the date of this report we are currently carrying out additional surveys in-house and the current data would suggest that 97% of tenants are still satisfied with the maintenance service provided.

In 2014/15 Mitie Property Services successfully tendered and won our reactive maintenance and void contract, which commenced at the start of the 2015/16 financial year.

The contract duration was for an initial three years with scope to extend for a further two years depending on performance. The first of the two additional one year extensions was triggered on 01/04/18 after the management committee granted the extension of contract for 2018/19.

Since November 2018 there has been a significant change at Mitie Property Services.

MITIE Property Services have been purchased by the Mears Group. Our current reactive maintenance contractor is a newly formed company called MPS and will work under the umbrella of the Mears Group.

All existing Mitie staff, from the senior management team, supervisors, tradesmen and the office staff have had their employment transferred to the newly formed MPS.

EHP were assured at the time of the buyout by the Senior management team at MPS, that the day to day business activities would not be affected and the service would continue as per the ongoing contractual agreement with previously Mitie Property Services.

It has become apparent that our current contract will require Easthall Park to confirm in writing a novation agreement that will allow the newly formed company MPS to assume the same rights of the contract as per what were previously in place with Mitie Property Services.

We are in the process of reviewing this arrangement with the senior management team at MPS, and we hope to have this issue concluded by March 2019. At the time of this report we continue to experience the same level of service as previously experienced with Mitie Property Services.

EHP is satisfied that Mitie (now MPS) have met and continue to meet all targets and KPI's set out in the original contract which would allow our committee to grant the second and final extension for the coming year of 2019/20, predicated by the contract and that the novation can be concluded with no negative impact experienced by Easthall Park.

The tender and procurement process for appointing a new reactive maintenance contractor will begin in June 2019. This will give EHP ample time to decide what service is required to take the reactive maintenance contract forward for the next five years.

Easthall Park's reactive maintenance contract must be procured again by the start of 2020/21 financial year as the current contract cannot exceed five years as per procurement rules and legalisation.

EHP will engage with an external consultant to assist with the procurement journey for the appointment a reactive maintenance contractor. The Co-operative uses external support when necessary to assist in managing procurement processes to ensure that we adhere to current regulations and legalisation which helps achieve our objectives.

The key decision making criteria included in all contracts is to provide competitive costs, improve response performance and resident satisfaction, whilst supporting the community and development aspirations of the business.

6.0 Environmental Management

The environmental management service consists of a comprehensive range of works that include the maintenance of common areas, close cleaning, litter-pick up services and managing play parks.

In 2014, following intimation that the existing contractor was no longer going to carry out this work and given the fact that a previous procurement process to appoint a new environmental contractor in 2012 failed as the new contractor was not willing to accept the risk and expense associated with TUPE meant that we brought this service in-house.

We currently have 4 full time caretakers which will fulfil the needs of the business going forward.

Easthall Park continues to monitor the value of having the service in-house through analysing service costs and resident satisfaction.

The November 2016 resident survey results stated that 98% of residents surveyed were satisfied with the management of the neighbourhood. This is an increase on the 2014 survey results which stated that 95% of tenants surveyed were satisfied with the management of the neighbourhood.

We have recently developed a new schedule of works with designated tasks being carried out in designated areas which will assist the estate caretakers deliver a structured work plan.

There are additional benefits to having an in-house estate team which can be demonstrated by the additional repairs and services we have carried out annually without the need for engaging external resources. These repairs are recorded on our Housing & Maintenance IT system (SDM) and mainly consist of the following but not limited to:

- Void Clear-outs
- Lock changes
- Fencing
- Slabbing
- Minor Maintenance repairs (plumbing, joinery, builder)
- Minor Painting works
- Handy man repairs (changing bulbs/lamps, ease & adjust doors/windows)
- Installation of rotary driers
- 1 off garden cuts (chargeable)

The cost element of these repairs is estimates only, and can vary on the time and scale of works to be carried out. The biggest saving to EHP would be from works carried out within our void properties.

On average an external contractor would charge the following costs for removal of items, clean and dispose of waste within the void:

Previous Contractor Job Number & Costs of Void Clear-outs:

- 60440 - £1,302 (Very Large)
- 56126 - £744 (Large)
- 55918 - £582 (Medium)
- 57216 - £150 (Small Basic)

*External Contractor average cost per void, using above data £695

Easthall Park Caretakers additional works data analysis since 2017

EHP average costs for analytical purposes:

- Void - £500
- Extra jobs - £150

Year	Work Description	No of Repairs within year	Estimated Cost Savings to EHP
2017/18	Void Clear-outs	17	£8,500
2017/18	Extra Jobs	14	£2,100
2018/19 - TD	Void Clear-outs	12	£6,000
2018/19 - TD	Extra Jobs	13	£1,950
		Total Estimated Savings	£18,550

There are also additional tasks performed that are not recorded within SDM. These tasks mostly consist of bulk uplifts and the removal of fly tipping.

In 2018 EHP agreed with the local authority that any bulk or fly tipping within our community collected by our estate team would attract no cost. This removed the need to wait for long periods of time for the local authority to remove such items.

Since the free disposals were introduced in August 2018, EHP has benefited of an estimated 33 free waste disposal dumps to date.

- The average cost to dispose of 1 van load of waste at the local refuse centre would cost £125

This additional service does not remove the need of the local authority to continue with their own responsibilities within the community such as de-littering, bulk uplifts and fly tipping.

A key priority in 2019 (delayed from previous years) is to continue supporting in partnership with Easthall Residents Association a comprehensive derelict land project.

This project will involve renewing derelict areas of ground presently owned by Glasgow City Council, establishing sports and leisure facilities through a delivery model that should create significant local training and employment opportunities.

7.0 Cyclical

The term cyclical is used to refer to the regular maintenance and preservation of components which assists in prolonging the life expectancy of assets.

The main focus of cyclical work tends to consist of annual gas safety checks and repairs, external and common paint works, smoke & heat alarm monitoring, CCTV maintenance, water tank checks, roof anchor & gutter cleaning, periodic electrical inspections and playpark apparatus and equipment inspections.

7.1 Gas Maintenance & Servicing

In 2015/16, we appointed Gas Sure as our new gas maintenance & servicing contractor after a rigorous procurement process. Easthall Park was supported by Brown & Wallace throughout the procurement process that provided assistance on current legislation and legal advice on the procurement journey.

The contract duration was for an initial three years with scope to extend for a further two years depending on performance. The first of the two additional one year extensions was triggered on 01/04/18 after the management committee granted the extension of contract for 2018/19.

EHP is satisfied that Gas Sure have met and continue to meet all targets and KPI's set out in the original contract which will allow committee to grant the second and final extension for the coming year of 2019/20.

The tender and procurement process for appointing a new gas maintenance and servicing contractor will begin in June 2019. This will give EHP ample time to decide what service is required to take the reactive maintenance contract forward for the next five years.

Easthall Park's gas maintenance and servicing contract must be procured again by the start of 2020/21 financial year as the current contract cannot exceed five years as per procurement rules and legalisation.

EHP will engage with an external consultant to assist with the procurement journey to appointment a gas maintenance contractor. The Co-operative uses external support when necessary to assist in managing procurement processes to ensure that we adhere to current regulations and legalisation which helps achieve our objectives.

The key decision making criteria included in all contracts is to provide competitive costs, improve response performance and resident satisfaction, whilst supporting the community and development aspirations of the business.

Any contract over the value of £50,000 is awarded after an open and competitive procurement process and in line with all current procurement legislation.

7.2 Electrical Periodic Inspections

In 2014, we undertook a procurement process to appoint a new electrical contractor to manage our cyclical electrical inspection programme which is due to conclude on 31/03/19.

The contract duration was for an initial four years with scope to extend for a further one year depending on performance.

The one year extension was triggered on 01/04/18 when the management committee granted the one year extension.

At the time of this report there is an estimated 25 inspections to be completed. We are currently working with the contractor to have all inspections concluded by the end of contract date of 31st March 2019.

If there are any inspections not carried out by the end of contract date we intend to instruct our reactive maintenance contractor to undertake these as they already carry out this facility in our void properties.

7.3 External Woodwork Painting Procurement

The co-operative during 2019 will consider options to employ direct labour or appoint a contractor to carry out external painting works.

This will be based on an analysis of what is the most cost effective option for the organisation in relation to value for money with a risk assessment undertaken on the options.

7.4 Gutter & Roof Anchor Inspection

In 2017, we undertook a procurement process to appoint a new contractor to manage our cyclical roof anchor & gutter cleaning programme. This contract is currently in year two of a four year contract.

The MCS Safety Systems were awarded the contract after they had demonstrated most competitive costs and achieved the highest quality score during the process

The current contract is due to conclude year 2020/21

7.5 Smoke Alarm & Heat Detectors

New fire safety legislation for Social Housing

- at least one smoke alarm installed in the room most frequently used for general daytime living purposes,
- at least one smoke alarm in every circulation space on each storey, such as hallways and landings,
- at least one heat alarm installed in every kitchen,
- all alarms should be ceiling mounted, and
- all alarms should be interlinked.

The new legislation should allow all RSL providers an estimated 2 years after implementation to comply with the new standards.

It is anticipated that the current SHQS criteria below is superseded by the impending legislation changes. We currently report that 100% of our properties meet the current SHQS standards.

Element 44 of SHQS states that in existing properties there must be at least one smoke alarm present in the property, and this can be either battery-powered or mains-powered. However, if replacement smoke alarms are being fitted then these should be mains wired.

As part of the current kitchen & boiler contract, we foresaw that legalisation was changing with regards fire safety within our homes. We specified that all new kitchens fitted should be installed with heat alarms and they should be interlinked with existing or new smoke alarms in line with the impending legalisation changes.

We currently have 234 of our properties installed with heat alarms which are interlinked to existing or new smoke alarms, with an estimated further 90 being carried out as part of the current kitchen & boiler contract at phase 9.

We also install this specification to all void properties as part of the void electrical inspection or when a new boiler is installed.

As part of our asset management strategy we have included financial provisions within our budgets to allow Easthall Park to comply with the new standard. We have set aside resources within our 30 year plan on a renewal basis of every 10 years for these components.

As part of the annual gas service, we have instructed Gas Sure to assist and to work along with EHP staff in compiling a detailed register of what properties currently comply and what properties do not comply with the impending changes. This will allow Easthall Park to upgrade any properties that do not meet the impending legislation.

7.6 Current Cyclical Investment for 2018/19 Update

SST	1	Water tank inspections
All	Environment	CCTV & Glenburn Park inspections
Flats	Various	Annual roof anchor inspection and testing
All	Various	Gutter Cleaning
All	690	Gas Servicing (includes office)
Area 4	16	10 year Electrical inspections
*1 to 6	Various	External painting of metal railings & fencing and all external woodwork (over 3 years) *
* SST	Environment	Backcourt upgrade (Westerhouse Road only) *

**No works carried out. These items roll into future financial projections. 30 year plan updated to accommodate financial forecasts.*

7.7 Proposed Cyclical Investment for 2019/20

Phase	Numbers	Description of Work	Estimated Costs
SST	1	Water tank inspections	£1,261
All	Environment	CCTV & Glenburn Park inspections	£9,449
Flats	Various	Annual roof anchor inspection and testing	£3,214
All	Various	Gutter Cleaning	£17,180
All	690	Gas Servicing (includes office)	£103,082
1 to 6	Various	External painting of metal railings, metal fencing and all external woodwork (3 years, contract sum is circa £200k)	£59,210
1 -9 & SST	Various	Smoke Alarms	£81,801
1 -9 & SST	Various	Heat Detectors	£41,035
1 -9 & SST	Various	CO Detectors	£36,932
TOTAL			£353,164

Easthall Park anticipates spending approximately **£1,328m** on cyclical works in the 5 years between 2019/20 and 2023/24.

8.0 Planned

Planned improvement work consists of the replacement of components that are in need of renewal.

The main areas of planned improvement work for Easthall Park will consist of kitchen, bathroom replacements, installation of boilers and the upgrade of central heating systems.

November 2014 survey stated that tenants felt providing an effective repairs service was their top priority (39.5%) second was modernising tenants homes to keep them to a reasonable standard (30.4%) with keeping rents and charges affordable (16.9%) their third priority.

During the November 2016 resident survey the top 3 tenant priorities are the same however the order has changed. The top priority was modernising tenants homes to keep them to a reasonable standard (49.5%) second was providing an effective repairs service (20.9%) and keeping rents and charges affordable was their third choice (16.2%)

During January/February 2019 an external consultant will carry out our resident satisfaction survey after being appointed through a thorough tender exercise. The information provided will help shape our focus on investment priorities in the short and long term expectations of our tenants. The survey will also provide robust data from our service users of how our tenants view the service provided by Easthall Park.

Any contract over the value of £50,000 is awarded after an open and competitive procurement process and in line with all current procurement legalisation.

8.1 Current Planned Investment for 2018/19 Update

Phase/Area	Works	Comment
*Area 2 & 4	Veranda/ Rain screen cladding	Works carried forward into 2019/20
*Phase 6	Door Entry/Lighting	Works not required at this stage
*Phase 1&2	Close Floor Vinyl	Current procurement exercise ongoing to appoint contractor for early 2019/20
Phase 9	Kitchen replacements	Phase split in half over 2 financial years estimated 45 units per year
Phase 9 Area 5	Boiler replacement	Phase split in half over 2 financial years estimated 45 units per year Internal analysis, Area 5 boilers moved to 2020/21
Phase 9	Bathroom fans	Works carried out in conjunction with kitchen & boiler contract

**No works carried out. These items roll over into next financial year. 30 year plan updated to accommodate future financial forecasts.*

8.2 Proposed Planned Investment works for 2019/20

Phase / Area	Total Unit Numbers	Description	Budgeted costs
Phase 4, 5, 8	9	Door Entry System	£26,089
Phase 1, 2	8	Close Floor Vinyl	£47,540
Phase 9, 8, 6, 5, 4	53	Kitchen replacements	£136,256
Phase 9, 8, 7, 4	34	Boiler replacement	£80,555
Area 2, 4	40	Rainscreen Cladding(Veranda)	£267,372
		Total Investment Planned	£ 557,812

Easthall Park anticipates spending approximately £1.089m on planned works in the 5 years between 2019/20 and 2023/24.

8.3 Close Vinyl Procurement

At the time of this report, EHP is currently in the process of procuring for a contractor who can deliver our close vinyl replacement programme going forward.

The procurement process is estimated to be concluded early April 2019, for a contractor start date of May 2019.

In 2018 we carried out a single pilot floor renewal at 29 Wardie Road to determine product type and sequence of works. The materials used at this close (or equivalent) will be the standard used for all closes with in the contract.

8.4 Veranda Project

We are currently engaging with GCC building control department to agree a specification which will allow for the project to progress.

GCC need to agree our proposals before timescales and final costs can be confirmed. Once an agreement is in place we will be able to engage further with manufacturers which will allow the project to commence through to completion.

8.5 Kitchen & Boilers

Phase 9 of the kitchen & boiler contract is the final phase of this contract. Phase 9 has been split into two sections for the purpose of the remaining works.

It is estimated that 45 kitchens & boilers will be upgraded in January to March 2019 and all remaining kitchens & boilers will be installed from 1st April 2019 onwards until completion.

It was previously agreed that Phase 9 would be split over two financial years to allow costs to be split between 2018/19 and 2019/20. The contract will experience no lag from splitting the works and the contractor will be onsite continuously until the projects estimated completion in August 2019.

8.6 Examples of Component lifecycles:

Component	Lifecycle (years)
Rewire	33
Close painting	10
Smoke detectors	10
Boiler	16
Central heating system	32
Full Bathroom Suite	28
Kitchen	16
Timber Windows	32
PVC Windows	27
Door Entry System Only	15
Door Entry Door	30

**All lifespans are compiled using the Building Cost Information Service (BCIS) maximum lifespans published in the "Life Expectancy of Building Components" and our current stock condition survey information.*

9.0 Asbestos

Easthall Park updates our asbestos register and whilst undertaking surveys when asbestos containing materials are suspected.

The register is provided to all contractors Easthall Park use on reactive and programmed maintenance.

Asbestos identified has been minimal, low-risk and subsequently managed and left in-situ pending renewals of components.

10.0 Legionella

Easthall Park has taken a strategic approach to legionella risk management and carries out preventative measures at common components, such as water tank replacement and testing.

This work is carried out by specialist contractors with proven experience in this type of work.

In 2014 we carried out a comprehensive water tank replacement and conversion programme in housing stock transferred from Glasgow Housing Association which reduced the risk of contracting legionella.

We currently carry out inspections at the 12 Closes, all closes are SST.

- Westerhouse Road 24, 26, 28, 34
- Glenburnie Place 5, 7, 9
- Wardie Road 97,99,101,103
- Edderton Place 9

11.0 Medical Adaptations

Easthall Park faces a challenge of meeting increasing demand for medical adaptations in a period of public expenditure constraints.

In order to maximise medical adaptations and address demand, Easthall Park have taken the decision to fund certain adaptations of a specific nature and particular type. Easthall Park has developed a policy and an internal procedure that outlines in what situations work of this nature will proceed.

We are recently developed a comprehensive adaptation procedure and policy which will guide the Co-operatives decisions going forward when dealing with adaptation requests from tenants and occupational therapists.

In 2018/19, we anticipated spend of about £30,000 on adaptations with funding support from Development & Regeneration Services (DRS). We will continue to engage with DRS to negotiate funding which will allow Easthall Park to adapt suitable properties for our tenants who require assistance.

This will help assist our tenants remain within their own properties and within their community as far as it is practicable. By adapting suitable properties for the tenants needs also assists with tenancy sustainment, which can remove the need for loss of rental income through the property becoming void.

We are currently in the process of examining a framework/procurement agreement for the appointment of contractors to carry out our medical adaptation needs. This process will be concluded by 31st March 2020 in line with the appointment of the reactive maintenance contract.

12.0 Risk Management and Welfare Reform

The strategic plan contains a risk assessment of the strategic objective “providing quality homes and an attractive environment”.

The strategic plan also outlines how Easthall Park undertakes sensitivity analysis and scenario planning to adapt and respond to risk.

A key risk for Easthall Park in the context of asset management is statute compliance, maintaining demand for our stock and ensuring we achieve high levels of resident satisfaction.

Easthall Park has achieved and needs to maintain SHQS compliance and adapt to potential enhanced energy efficiency standards. On-going external survey work supports the management and control of this risk.

Easthall Park has a comparatively low turnover of stock and demand exceeds supply.

The financial challenge of welfare reform presents a significant risk to the organisation.

This will increase pressure on operating costs and the scale of bad debt. This presents a risk in the context of maintaining demand and funding any new legal obligations the organisation has to meet.

13.0 Procurement

Easthall Park has developed a Procurement Policy that will direct all procurement of goods, services and works throughout the whole organisation.

The Scottish Government had requested that public organisations with an estimated annual regulated spend of £5 million or more excluding VAT, create and publish their procurement strategies/policies on their websites by 31st December 2016 and notify the government of this by email.

The Co-operative do not fall into the Scottish Governments criteria however as this is viewed as a good practise we produced our own procurement policy which outlines our strategy and ensures we continue to achieve compliance with current procurement rules and legislation.

The Co-operative's strategy is published on our website and follows guidelines and templates set by the Scottish Government, whilst analysing comparative RSL's published strategies for achieving compliance.

In 2018 we engaged with Scotland Excel through a Scottish Government exercise to help understand how well we perform our procurement activities throughout the business. The process is graded, however the grade depends on what the business wants and can actually achieve. The process was developed for large local authorities but has now been rolled out to all social housing providers.

On its launch in 2009 the average grade return from the local authorities was 22%. These organisations have dedicated procurement departments and professionals who deal with all procurement related activities within their organisation.

Easthall Park returned a score of 35%, which is above the expected grade 1 that we wanted to achieve.

It needs to be recognised that due to the scale of our organisation that there are specific points from this exercise that we will be unable to achieve such as:

- Dedicated procurement departments with dedicated procurement apprenticeships produced through tender processes
- Inclusion of supported need full time employment opportunities through tender award appointments (we will continue to explore this further)

We have reflected on the returned report and are currently examining the recommendations on how we can further develop our internal procurement journey to where the organisation wishes it to be appropriate to the size and scale of the Co-operative.

Recommendations to be examined include:

- Posting our contract register online, This would need to be tailored to remove individual organisation names and only have the contract type a=issued when it is due for retendering
- Information and further guidance from government's procurement journey tool to be used to complement procurement policy.
- Development of a Contract & Supplier Management Policy (awaiting template from Scotland Excel)
- Use of Scottish Governments Category A National Frameworks (can also register for paid framework service through Scotland Excel at £1 per unit cost)

- Training for staff in relation to procurement and how it influences the strategic vision of the organisation

The Scotland Excel process is not to be used as a comparison tool against other organisations, but more of an internal tool of where an organisation determines where it wants to be in relation to procurement being imbedded into the strategic decision of their business which are proportionate and appropriate for the size of organisation.

Easthall Park is committed to open, competitive and transparent procurement exercises for works, services and goods below and above regulated thresholds. The procurement policy and strategy sets out how Easthall Park conducts all procurement activities either regulated or non-regulated.

All current tenders comply with Easthall Park's financial regulations and current procurement legislation.

Where applicable, procurement has a sustainability and local training and employment focus.

The annual budget and financial forecasts include a sum for external consultancy support. External consultants we use will be dependent on the size and nature of the contract. Costs associated with utilising external consultants are tested on an annual basis and are budgeted at 4.0% of planned costs of the contract.

14.0 Stock Options Appraisal

As part of the annual review and maintenance of stock we determine whether the stock should remain in the ownership of the Co-operative or requires demolition over the next thirty year period based on the costs associated with maintaining and have determined that there are currently no requirements for demolition or disposal.

We currently do not envisage that any stock will be demolished in the foreseeable future.

The co-operative undertook an Options Appraisal exercise to determine the future direction of the Co-operative and the outcome of this assessment was that the Co-operative wished to remain an independent organisation.

15.0 Future Developments

The Co-operative will continue to examine possible development opportunities during the next five years however has not assumed any stock increase as part of our financial planning.

Any agreed developments will be tested to ensure that they contribute to the benefit of the organisation and meet the needs of the community.

Initial indications are that the Co-operative could further develop with at least two newbuild projects of which a primary focus will be on creating new energy efficient homes for prospective members.

Further work during 2019 will be undertaken to determine whether this is a feasible project.

16.0 Implementation, Monitoring & Review

On an annual basis Easthall Park reviews and maintains stock condition data and produces proposed work programmes.

This process includes collecting and analysing information on tenant demand.

All reactive and programmed work is monitored to ensure:

- Work proceeds and is completed within timescale
- Work is completed within budget and potential over spends are addressed quickly and decisively
- Tenant satisfaction is monitored to ensure service standards are realised

The Management Committee receive regular reports to monitor performance and manage risk.

The asset strategy will be reviewed on an annual basis alongside the strategic plan.

Appendix 1 List of Property by Phase



<p>Phase 1 35 - 39 Wardie Rd</p>	<p>Phase 2 35 - 37 Eddlewood Rd 2 - 10 Wardie Place 21 - 29 Wardie Road 1 Banton Place</p>
<p>Phase 3 10 - 20 Eddlewood Path 1 - 23 Eddlewood Road (odds) Eddlewood Place Easthall Place Eddlewood Court</p>	<p>Phase 4 2 - 8 Eddlewood Path 3 - 15 Wardie Road 1 - 7 Wardie Place 2 - 16 Eddlewood Road (evens)</p>
<p>Phase 5 Banton Place</p>	<p>Phase 6 , 55 & 57 Wardie Rd 1 - 19 Ware Rd (odds) 1-15 Edderton Place (odds) 20 - 38 Edderton Place (evens) Edderton Way 2a/b Eddlewood Court</p>
<p>Phase 7 2 -20 Lochbridge Rd (evens) 2 - 18A Edderton Place (evens) 21a -31b Ware Road (odds) 30 - 56 ware Road (evens) 1 - 17 Halliburton Terrace (odds)</p>	<p>Phase 8 17 -23 Edderton Place (odds) 2 -16 Ware Road (evens) 2 -18 Halliburton Terrace (evens) 47 - 73 Wardie Road (excl 55 & 57)</p>
<p>Phase 9 58 -136 Ware Road (evens) 39a & 39b Ware Road 1 - 17 Lochbridge Road (odds) 22 - 36 Lochbridge Road (evens) Halliburton Road Trondra Place</p>	<p>Kildermorie 1 18A - 22C Shandwick St Arnisdale Place Arnisdale Road Arnisdale Gate Arnisdale View 100 - 106 Kildermorie Road (evens) Kildermorie Place</p>

Kildermorie 2 Struie Street 95A & 95B Wardie Road 107 - 121 Wardie Road 79 -99 Kildermorie Road (odds) Arnisdale Court 36 - 59 Shandwick St	Stock Transfer Area 1 24 -34 Westerhouse Road (excludes 30 & 32) Stock Transfer Area 2 9 Edderton Place 5 - 9 Glenburnie Place
Stock Transfer Area 3 97 – 103 Wardie Road	Stock Transfer Area 4 41 – 45 Wardie Road Stock Transfer Area 5 85 – 93 Wardie Road

Appendix 2 Procurement Strategy to be published on Website



Easthall Park Procurement Strategy

1.0 Introduction

'The Procurement Reform (Scotland) Act 2014 now requires any public organisation which has an estimated annual regulated spend of £5 million or more (excluding VAT) to develop and review a procurement strategy annually before the start of that next financial year. This requirement also applies to an organisation that becomes aware of having this level of spend during the year'.

Contracting bodies that meet or exceed the £5 million threshold must:

- maintain a contracts register on line;
- prepare a procurement strategy/ report for each financial year;
- comply with the Sustainable Procurement Duty (to improve the social, economic & environmental wellbeing of our area; facilitate the involvement of SME's and third sector organisations; promote innovation);
- Consider Community Benefits for contracts greater than £4million in value.

Easthall Park do not have an annual cumulative spend of £5 million, however this document will demonstrate our asset management strategy for the procurement of supplies, services and works.

2.0 Thresholds

There are separate EU and Scottish Regulated contract thresholds set for the procurement of works, for the procurement of services, and for the procurement of supplies. These threshold sums are reviewed regularly (usually annually).

Current thresholds, excluding VAT at the time of this report are:

Supplies & Services	Works Procurement Reform (Scotland) Act 2014
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£50,000	£2,000,000
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Public Contracts (Scotland) Regulations 2015. Which are aligned to EU thresholds and the Official Journal of the European Union (OJEU)	
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£164,176	£4,104,394
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The value of a contract must be calculated over the whole life of a contract –therefore a three-year contract at £50,000 annually has the value of £150,000. When the estimated

value of a contract is above the EU threshold the full regulations governing procurement apply.

3.0 Contract Values less than Thresholds

- Works < £2million
- Services/Supplies < £50K

The Co-operative will follow best practise when procuring contracts that are below regulated thresholds that demonstrate transparency and value for money, either through invitation to tender, quotations or framework agreements.

Any contract that the Co-operative require advertisement for will be published on either the Public Contract Scotland website or the SFHA tender page.

The scope of the advertisement will be appropriate to the value and nature of the contract to be advertised.

4.0 Contract Values that exceed Thresholds

- Works > £2million
- Services/Supplies > £50K

All works that exceed the thresholds will be advertised to demonstrate transparency and value for money. Public Contract Scotland's tender website will be used to advertise all contracts by either using the main platform or the quick quote function.

The method of advertisement, will determined by the level of complexity of the contract by EHP staff.

The scope of the advertisement will be appropriate to the value and nature of the contract to be advertised.

5.0 Conclusion

Easthall Park Housing Co-operative conducts all procurement activity by displaying fair and transparent processes.

The aim of this strategy is to help the Co-operative deliver Value for Money and Quality of product through thorough procurement means.

All contracts awarded will be approved by Easthall Park Housing Co-operatives management committee.

6.0 Further Information

The Co-operative maintains a procurement register approved by Committee and updated as and when contracts are awarded. Easthall Park Housing Co-operative will issue this register to consultants/contractors upon request minus any confidential information e.g. contractors names, contract value to ensure transparency whilst protecting commercially sensitive data.