

ASSET MANAGEMENT STRATEGY

6th Draft 29th September 2015

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1.0 INTRODUCTION

1.1 Introduction and Context

The Asset Management Strategy for ACHA has been developed to provide the detail necessary to provide a clear direction for the management of the assets that the association owns and manages.

The Asset Management Strategy supports and is informed by the ACHA's Strategic Plan and the current 30 year Business Plan

The Scottish Housing Regulator's Strategic Asset Management Recommended Practice published August 2012 has been referred to as part of the development process of this strategy. The Self-Assessment questions have been reviewed and form part of Appendix 1.

The Scottish Social Housing Charter sets the standards and outcomes of social landlords and the relevant standards have informed this strategy as in Appendix 1.

The Strategy has been developed by a working group from all branches of ACHA and is based on good up to date information gathered by all parties. The working group included the Directors of Investment and Regeneration, Finance and IT and Housing and Neighbourhood Services and the Managers of Corporate Services, Investment and Regeneration. Each representative involved a number of other people across ACHA to contribute to the strategy. The Strategy was the subject of scrutiny at a strategy session of the Board of Management.

1.2 Scope of the Asset Management Strategy

The Asset Management Strategy covers all of the housing and other property owned and managed by ACHA and includes all the related assets, such as play areas, garages and unadopted assets; such as roads, footpaths, septic tanks and private water supplies.

1.3 Definition

Asset Management is the range of activities undertaken to ensure the housing stock meets needs and standards, now and in the future. This goes beyond investing in repairs and improvements. The Asset Management Strategy is about reviewing and, where necessary, changing the asset base to end up with the right accommodation in the right location. An Asset Management Strategy is an overarching statement of objectives, goals, processes and action plans for ensuring

that all the current and future resources are applied to delivering the effective management and maintenance of all housing and land assets. The intention is to provide a good service, value for money and customer satisfaction within the delivery of those services. It describes how processes and planning are pragmatic, affordable, improving and focused on contributing to delivery of our visions and values.

1.4 Vision and Values

Our vision is:

“Argyll Community Housing Association will continue to work with partners to deliver and strengthen sustainable and mixed communities throughout Argyll and Bute”

Underpinning our vision are these values:

Excellence - We develop good practice standards and strive for continuous improvement and efficiency

Diversity and inclusion - We treat service users and employees with respect by implementing our equality policies throughout our services which are accessible to all

Community sustainability - Strong recognition, identification and representation of all Argyll and Bute communities

Determination - We are committed to achieving our objectives

Ethical - We uphold professional standards of conduct throughout organisational practice

Openness and accountability - We share and publicise information and monitor our performance against professional standards

Reliability - We have established policies and procedures to ensure consistent service delivery

Teamwork - We work collectively to promote professional services across Argyll and Bute

1.5 Purpose

This Asset Management Strategy provides a framework to enable ACHA to manage the stock proactively and support the Business Plan objectives. It helps to ensure that resources for maintaining the assets in good condition and investments made are clearly focussed.

The purpose of Asset Management is to assist with:

- Making the right choices
- Value for money
- Measuring asset management performance
- Improving the experience for tenant and community
- Develop new housing in areas of need and demand

1.6 Strategic Goals and Objectives

The Asset Management Strategy supports the strategic goals and objectives as set out in the Strategic Plan for 2015-2020. The objectives relevant to the Asset Management Strategy are in Table 1.

Table 1 Strategic Key Objectives 2015-2020

Strategic Key objective	Measure	Target	Scottish Social Housing Charter
1. Achieving the Scottish government housing standards and addressing housing need in Argyll & Bute, through development	Building future partnership to secure on-going new build development	Deliver the development programme for 2015-2018.	4- Quality 5- Repairs
	Building future partnership to secure on-going new build development	Development Programme for 2018 – 2021 to be agreed by March 2017.	4- Quality 5- Repairs
	Building future partnership to secure on-going new build development	Secure grant and private finance by March 2018.	13- Value
	Buy back property within shared blocks	Prepare report on the costs and benefits of restructuring stock to rationalise ownership in common blocks by Dec 2015 .	2- Communication 4- Quality 13- Value
	Maintain SHQS and deliver EESSH	Maintain Scottish Housing Quality Standard compliance between 2016 – 2020 by Mar 2020	4- Quality 5- Repairs 13- Value
	Maintain SHQS and deliver EESSH	Deliver EESSH by December 2020.	4- Quality 5- Repairs 13- Value

Strategic Key objective	Measure	Target	Scottish Social Housing Charter
	Explore new funding streams	Review the potential for renewable installations, such as solar panels, that are funded by revenue grants by March 2016	4- Quality 5- Repairs 13- Value
	Explore new funding streams	Identify potential funding streams matched to future service delivery as required through to March 2020.	4- Quality 13- Value
	Explore new funding streams	Integrate the measure and costs of achieving the standards into our Asset Management Strategy for 2016 – 2020 by March 2016.	4- Quality 13- Value
2. Providing quality customer care and equality across all our services	Provide a welcoming and professional office environment	Office accommodation Working Group to agree in line with access and ergonomic upgrades required prior to December 2015	1- Equalities 13- Value
	Improve customer satisfaction levels to be in line with Scottish benchmark from 73% to 88%.	Improving customer satisfaction levels, by targeting 16 to 24 year olds via social media. Options appraisal to be carried out by October 2015	1- Equalities 2- Communication 3- Participation
	Improve customer satisfaction levels to be in line with Scottish benchmark from 73% to 88%.	Targeted sample surveys on poorer results undertaken face to face prior to July 2015	3- Participation
3 Developing the Financial strength and capacity to meet current and future objectives	Reducing financial void loss	Focus on analysing and developing void properties by reducing financial void loss and identifying a way forward for low demand properties Strategy review report by August 2015	13- Value
	Reduce Association debt	Increase collection of sundry debt such as targeting rechargeable repair work and charges to owner occupiers for services undertaken during 2015/2016. Reduce debt by £50,000 by March 2016	2- Communication 13- Value
	Improve processes to align financial planning and reporting to the organisations objectives.	Develop 5 year financial plans and service plans by May 2015	13-Value
	Improve processes to align financial planning and reporting to the organisations objectives.	Develop better understanding of Investment and Regeneration new projects in relation to the business plan prior to March 2016	13- Value

Strategic Key objective	Measure	Target	Scottish Social Housing Charter
	Review management costs and resources, staff efficiency and office base.	Review options for future office development prior to February 2016	2- Communication 13- Value
	Develop an approach to achieving budget savings	Develop an association wide joint procurement strategy by December 2015	13- Value
	Rent harmonisation and restructuring	Options appraisal required to bring implementation by April 2016.	2- Communication 13- Value 14 and 15 Rents
4. Deliver progressive and sustainable business performance and service delivery	Meet the outcomes of the Scottish Social Housing Charter and customer satisfaction measuring	Develop programme of self-awareness with improvements aimed at performance, benchmarking and customer satisfaction levels. (Ensuring that the satisfaction survey action plan is in place) prior to August 2015	2-Communication 4- Quality 5- Repairs 6- Estate management 10- Access 11- Tenancy Sustainment
	SLA monitoring	Monitor Argyll Homes for All (AHFA) Service Level Agreement delivery to ACHA including the individual contracts	1- Equalities 2- Communication 5- Repairs 13- Value

1.7 Equality

This strategy will comply with our Group Equal Opportunities Policy. In terms of asset management this will have particular reference to the following commitments:

- To ensure that current and prospective tenants are, as far as possible, able to access housing that is suitable for any needs in relation to physical disability or illness. These needs will be taken into account in housing allocations, adaptations to existing properties and in the planning and design of new housing. The approach to adaptations is set out in the Adaptation Policy
- To ensure that all service delivery points comply with the provisions of the Disability Discrimination Act 1995.
- To ensure procurement is fair and that contracting opportunities will be publicly advertised in accordance with relevant legislation and Contractors will be required to have up to date equal opportunities policies and/or demonstrate equal opportunities in delivery of any activities on behalf of the Association. The approach of ACHA is set out in the Procurement Policy and Procurement Policy for Building Works.

2.0 ASSET PROFILE

This section describes the current assets owned or used by the Association. Please note that unless stated otherwise all the data in this section was current at the end of March 2015.

2.1 Housing Stock Profile

At 31st March 2015, ACHA owned 5122 residential properties throughout Argyll and Bute and there are 9 properties not used for residential purposes. 46% of the stock is flatted accommodation, 49% is in semi-detached or terraced houses and 4% is in sheltered accommodation. The details of the stock by geographic area are in Appendix 2.

The housing stock is located throughout Argyll and Bute in four main geographic areas as set out in Table 2:

Table 2: Housing Stock

Area	No. of properties	% of total stock
Cowal and Bute	1416	28%
Helensburgh and Lomond	992	19%
Lorn and the Isles	1268	25%
Mid Argyll and Kintyre	1446	28%

The islands in Argyll and Bute are well represented with 879 properties or 17% of the stock in Islay, Bute, Mull, Tiree and the smaller isles.

The stock has a concentration of 70% or 3580 in the main towns of Argyll and Bute; i.e. Campbeltown, Dunoon, Helensburgh, Lochgilphead/Ardrishaig, Oban and Rothesay.

The geographic spread of the stock represents a particular challenge to manage and maintain housing in these disparate locations. Figure 1 shows the four geographic areas and illustrates the time and distances involved in the spread of stock from the further north, south, east and west.

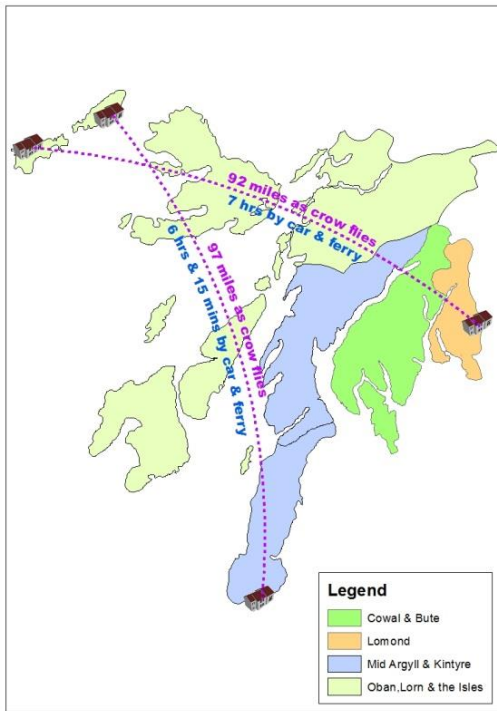


Figure 1 – Map of geographic areas and stock distribution

Most of the housing stock was developed and acquired by the previous local authorities and the age profile is as follows set out in Table 3:

Table 3 – Age of Stock

Period of Construction	No.	%
Pre 1940	501	10%
1940 – 1964	1873	37%
1965-1974	1564	31%
Post 1974	1184	23%

The Lorn and Isles area has the youngest stock with 63% built after 1964. Lomond has the highest concentration of old stock with 58% built before 1964 of which 15% was pre-1940.

The stock varies in size from bedsits to 5 bedrooms but the stock is predominantly one bed (28%), two bed (43%) and three bed (27%) as set out in Table 4.

Table 4 – Size of Stock

Size of property	Lomond	Cowal and Bute	Lorn and Isles	Mid Argyll and Kintyre	Total
Bedsit / 1 bedroom	284	510	290	355	1439
2 bedroom	417	523	562	677	2179
3 bedroom	258	333	400	376	1367
4 bedroom and over	33	50	16	38	137

The primary construction characteristics of the stock is typical of west of Scotland construction techniques as follows

- Roof structures pitched with roof coverings predominantly of concrete tile and natural slate.
- External wall construction is primarily cavity with finishes in render.
- Windows are doubled glazed.
- Full central Heating is installed in all of the stock. The heating types are a mix of gas (49%), electric (37%), solid fuel (11%), renewables (1%) and oil (1%) as at March 2015. Since stock transfer in 2006, the number of properties with solid fuel has reduced by half, while gas and electrically heated homes has increased
- Loft insulation in all stock, where it can be installed
- Cavity Wall insulation in all stock, where it is appropriate to install.
- None of the stock is below the tolerable standard

Most of the stock is of traditional construction with less than 9% being defined as non-traditional. Most of the stock designated as non-traditional varies in relatively few respects from traditional stock and represents no greater risk than traditional stock.

2.2 Stock Valuation

The stock valuation was updated on 17th April 2015 and was undertaken by JLL on behalf of Lloyds Banking Plc.

The valuation is based on 5133 residential properties and 180 non-residential and 8 allotments. All the property is secured to the Lloyds Banking Group, except 42 residential properties that are secured to Argyll and Bute Council and 86 that are unsecured. The valuation is summarised in Table 5.

Table 5 – Summary of Valuation

Security	Unit Count	EUV-SH
LBG Charged Residential	4804	£81,771,000
LBG Charged Sheltered	201	£2,200,000
ABC Charged	42	£1,782,000
Uncharged	86	£3,170,000
Total	5133	£88,923,000
LBG Charged Non Residential	179	£661,000
LBG Charged Offices	1	£250,000
Total	180	£911,000
Overall Total	5,313	£89,834,000

The unsecured stock offers the opportunity to borrow from lenders other than Lloyds Banking, subject to the agreement with Lloyds that limits such borrowing currently to £6m. Prior to April 2015, £3m has already been borrowed and therefore there is £3m new borrowing available.

2.3 Sheltered Housing

There are 201 units classified as sheltered housing. One property at Ferfadd Court is used as guest accommodation rather than permanent residential.

The sheltered accommodation is grouped into 11 residential blocks of varying design and located in Dunoon, Sandbank, Oban, Benderloch, Islay, Inveraray, Mull, Lochgilphead, Ardrishaig and Tarbert. All the groupings have a range of ancillary facilities such as offices, communal rooms and laundries. Details of the sheltered accommodation is summarised in Appendix 3.

2.4 Travelling Persons Sites

There are three Travelling Persons Sites in Lorn, Mid Argyll and Dunoon. There are a total of 30 pitches.

2.5 Non Housing Stock

There are ten properties used for other purposes and some are recorded on the residential database but are offices:

13-16 Longhill Terrace, Bute – formerly let for community use and are now vacant pending a decision on whether to convert to office use.

8 Ferfadd Court Bute – used as a guest flat not permanent residential

6B and 8A Scalpay Terrace – let for community use.

1 McCracken Court, Lochgilphead – sheltered accommodation office now leased to Carr Gomm as an office

5 The Flats, Bunessan – sheltered accommodation office.

5 Columshill Terrace, Rothesay – leased by ABC for the Link Club

Action - The residential property database should have properties removed if they are in another use and the properties designated to their current use.

2.6 Related Asset

In addition to housing stock, ACHA owns garages and garage sites that are leased to interested parties. There are play areas in various

locations and allotments in Campbeltown. There are a range of unadopted facilities that we maintain including septic tanks and private water supplies. There are unadopted roads and footpaths that are shared to greater or lesser extent with neighbours. For the shared assets, some of our neighbours have maintenance obligations and some do not.

A summary of the related assets is:

Garages – 18

Garage Sites – 131

Play Areas – 28

In addition one play area at Ladeside Place, Rothesay is let to a community group 'Light Up Bute'.

The Kilkenzie play area lease to a community group has been ended by the community group and the Board has decided, after a local community survey, that the play area is closed.

Septic Tanks – 38 locations

Water Supplies – 5 locations

Allotments – 8 allotments

The allotments are located at new build development in New Parliament Place, Campbeltown.

The details of these assets are listed in Appendix 4.

2.7 Office Accommodation

We own sixteen offices within existing residential groupings and in separate premises.

Travelling Persons Sites – a small office is provided on each of the three sites.

Sheltered Accommodation – ten offices on site (including two mentioned in 2.6)

Office Accommodation – there are three offices owned by ACHA at Menzies House, Oban, Chalmers Street, Ardrishaig and Stuckleckie Road, Lomond. Chalmers Street is an uncharged asset.

ACHA lease 6 buildings as office accommodation or store. The details of the leases at March 2015 are set out in Appendix 5. The two offices in Helensburgh have had their leases terminated as the new offices at Lamont House Stuckleckie Road became operational in July 2015.

2.8 Land

ACHA owns areas of land within the estates that are free from any common rights. A land audit was conducted in 2007 and a programme of feasibility studies undertaken. Three sites were developed on these assets at Port Ellon, Islay, former garage site at Hood Court, Helensburgh and Scott Terrace, Dalmally. The final site in the study at Victoria Park, Dunoon will start development in 2016/17.

There were land exchange arrangements at three further sites which opened up the opportunity for development at Lochgoilhead and Bonawe. The third site in Cairnbaan is currently landbanked for future development. The audit of the land around our estates has saved the development programme in the region of £400,000 in land costs based on an estimate of 40 land plots at £10,000.

2.9 Temporary Homeless Accommodation

We lease 23 properties to Argyll and Bute Council and others for use as temporary homeless accommodation or other residential purposes.

The details of the properties are:

Sixteen properties in various areas to Argyll and Bute Council for temporary homeless accommodation

Three properties in Rothesay, Dunoon and Campbeltown to Women's Aid

Four properties at Millknowe, Campbeltown to Blue Triangle

2.10 Owners

The Factoring Policy was approved May 2013 and is in line with the Property Factors (Scotland) Act 2011 and Code of Conduct which came into force on 1st October 2012.

There are 228 Factoring Agreements in place at March 2015 with our neighbouring owners.

2.11 Adaptations

Some of the stock has been adapted to assist tenants with mobility or health problems. Since transfer, there have been 2072 adaptations and 417 properties have existing major adaptations, such as stairlifts or level access showers.

3.0 INVESTMENT IN ASSETS

In terms of ACHA's investment the priorities will be matters of safety, followed by compliance with the new Energy Efficiency Standard for Social Housing, continued compliance with the Scottish Housing Quality Standard and addressing the relative condition of stock.

The stock will be maintained by an efficient response repairs service, a planned programme of cyclical maintenance and programme of elemental replacements based on compliance with standards and condition of elements.

Performance figures are largely extracted from the Annual Performance and Statistical Returns (APSR) and the Annual Returns of the Charter (ARC). Where the returns have altered the type of data collected, statistics available from year end key performance indicators (KPI) has been used instead.

Scottish averages are drawn from the Scottish Housing Regulator Housing Charter report for 2015/16.

3.1 Response Repairs and Void Repairs

3.2.1 Response Repairs

a. Response Targets

Response repairs cover all routine 'breakdown' repairs causing inconvenience or a safety risk that are reported by a tenant, factored owner or a member of staff. Response repairs are prioritised according to their urgency, with set response times for each category.

A new Repairs and Maintenance Policy was approved by the Board on November 2013 and it amended the repairs targets.

There are six categories of responsive repairs:

- **Emergency** - Emergency repairs will be carried out where incidents are health and safety issues or required to prevent further damage or destruction to the building. Attended to within 2 hours or 8 hours and completed in 24 hours. The policy includes an appendix that details the works that fall into each category.

- Urgent - Issues which require prompt attention but do not constitute an emergency will be classed as Urgent repairs. The target is 5 working days of being reported
- Routine - All other repairs. Tenants will be offered an appointment for routine repairs and the target will be to complete these repairs within 20 working days of being reported. The target time includes any inspection time required by ACHA up to 5 days.
- Qualifying Repairs (Right to Repair Scheme) - A number of repairs are subject to statutory timescales for completion as defined within the Housing (Scotland) Act 2001.
- Void Repairs - Repairs to empty houses in line with the Void Policy
- Cyclical and Planned Maintenance - Repairs dealt with as part of ongoing plans or contracts. The timescales for such items will vary according to the nature of the work and may be affected by issues such as budgets or third party involvement (e.g. common owners).

b. Repairs Performance

The response repairs performance in the last five years is summarised in Table 6.

Table 6 – Response Repairs Performance

Description	2010/11	2011/12	2012/13	2013/14	2014/15	Average
Total number of repairs	18462	18548	16250	15764	16140	17033
Average number of repairs per property	3.61	3.64	3.21	3.08	3.15	3.34
Number of emergency repairs	6145	5907	3892	4761	5101	5161
% of all repairs that were emergency ¹	33%	32%	24%	30%	32%	30%
% of emergencies on time ²	97.75%	99.05%	99.02%	93.90%	96.60%	97%
Average time for emergency in hours	not available	not available	not available	11.54	14.43	12.99
% of non-emergencies on time ²	98.96%	99.16%	99.19%	94.18%	96%	97%
Average time for non-emergency in days	7	9	7	11.52	14.27	9.76
Appointments made	8888	5568	6037	8669	11039	n/a
% appointments kept	98.39%	99.96%	99.82%	87.22%	87.60%	94.60%
% tenants satisfied with repairs ³	97.5%	96.6%	96.0%	96.8%	97.7%	96.9%
Total Cost of Repairs in £'000s ⁴	£3,154	£2,934	£2,987	£2,243	£2,165	
Average Cost of Repairs in £	£617	£577	£590	£439	£421	£528

Notes:

1. Calculated from return data

2. 2013/14 and 2014/15 were not in ARC so KPI figures used

3. 2010/11 to 2012/13 based on KPI figures

4. Based on end of year accounts and inclusive of void repairs. For the 2014/15 accounts the cost is stated as £2,701 but this included owners contributions not yet used. We have deducted £536k for 'owner contributions in advance' to allow the figures for each year to be on a comparable basis.

The number of repairs is on an overall downward trend with 2014/15 having 5% less repairs than the five year average. The average number of repairs per property has also decreased from a high point of 3.64 in 2011/12 to 3.15 in 2014/15; a 13% decrease. The Scottish average was 3.62 for 2014/15.

The number of emergencies has varied year to year but the percentage of all repairs that are designated emergencies has remained in the region of 30%.

Action - The number of repairs which are classed as emergencies has increased. This is a key area of review for ACHA and we will carry out an analysis of emergency repair reporting during 2015/16.

The percentage of repairs completed by the target time; both emergencies, urgent and routine, has dropped from the best performance in 2011/12 but is still in the high nineties.

The average hours taken to complete an emergency is a new ARC target and its current trend is above the Scottish average of 5.85 hours which compares with our performance of 14.43 hours. However our aim is to attend emergency repairs within 2 or 8 hours depending on the nature of the job, with completion within 24 hours. 14 hours is well within the targets which have been agreed during our consultation process with service users.

The average days taken to complete a non-emergency is increasing and stands at 14.17 against the Scottish average of 7.88 days. However, non-emergency repairs are to be completed within 5 or 20 days. Completion within 14 days is well within this overall target. Performance targets have been agreed by service users during consultation process. Our performance against our own targets is set out in Table 7.

Table 7 Repairs performance against targets at March 2015

Type of Repair	Target Time	% Target	% Performance at end Mar15
Emergency	24 hours	99%	96.6%
Urgent	5 days	98%	95.8%
Routine	20 days	98%	95.8%

Tenant satisfaction with the repairs service remains reasonably consistent and 97.7% in 2014/15 is comparable with the Scottish average of 97.68% in 2013/14.

The cost of delivering the repairs service has reduced since the works started to be delivered by our subsidiary, Argyll Homes For All. However we will continue to consider the average cost of each repair and ensure that the value for money of the subsidiary is kept under review.

It is important that the links between planned and response repairs are analysed. There may be the opportunity to batch non-urgent work to feed into a planned programme. Mechanisms must be developed to avoid response repairs to items that are part of planned or cyclical programme. The next Stock Condition Survey will allow the long term programme to be reviewed and assist with the targeting of repairs. However repairs need to continue to keep homes wind and watertight even when they are in a longer term programme.

The elemental replacement programme is planned many months in advance and therefore is not be able to respond quickly to an urgent elemental breakdown. However, element replacements that are required but are not needed in a short timescale can be referred by the property services team for inclusion in the next year's Investment Framework programme.

c. Customer Service Centre

Our customer service centre (CSC) aims to be the first point of telephone contact for all of our customers. Current service provided via the CSC includes processing payments, repairs reporting and general enquiries. During the coming year we aim to extend the services provided to include allocation and factoring enquiries.

d. Pre Inspections

Most repairs orders can be issued to the response repairs contractor without any prior inspection. No inspections would be routinely arranged for emergencies or urgent work, except where there are exceptional circumstances. Routine repairs have a 5 day target for any pre-inspections that are required.

Inspections prior to work being instructed may occur under the following circumstances:

- The tenant is unable to fully explain the problem;
- The responsibility may belong to the tenant;
- The problem may affect an adjacent owner occupier;
- Measurements/specifications need to be assessed prior to work ordering;

- A previous repair has not solved the problem.

Action - The level of pre-inspections will be reviewed to ensure that only those that require pre-inspection are issued.

e. Post Inspections

Ten per cent of repairs are currently inspected after completion and a high level of satisfaction with repairs has been recorded. The post inspections are targeted on a risk based assessment and will focus on high value work, repairs with multi trades, owner recharges or complaints. This is to maintain quality control and ensure the contractor is complying with their contract conditions. 100% of void repairs are inspected by AHFA in terms of the contract.

f. Repairs Subsidiary

In December 2012, the Board agreed to establish a subsidiary to deliver the following ambitions:

- To provide ACHA with a platform to carry out non charitable activities.
- Deliver a leading and highly competitive repairs and maintenance service to our clients.
- Strengthen the Association by offering controlled costs and providing a financial contribution via profits generated through alternative revenue streams.

The first planned phase was to set up the subsidiary, named Argyll Homes for All (AHFA) to deliver our response repairs requirements plus selected cyclical service contracts consisting of solid fuel, gas service and maintenance, gutter cleaning and periodic electrical testing. AHFA also provided a vehicle for a small mid-market rent development.

AHFA began trading from April 2013 and it has since added the contracts for delivery of fire alarm servicing and external painterwork to the portfolio of services provided to the parent. Service level agreements and individual sub-contracts define the contractual relationship.

All contract prices on the service contracts were market tested by comparison with the exiting contractors. The response repairs contract is an all-inclusive contract based on our previous repairs budget levels. No cost over-runs are allowed for in the contract and therefore the budget uncertainty of pre-AHFA response repairs has been removed.

The response repairs contract expires March 2016 with a one year optional extension.

The contract is subject to formal annual reviews and in March 2016 a recommendation will be taken to the Board in respect of a one year optional extension.

In May 2015, the Board approved a further Business Plan for AHFA. The report called for a wide ranging review of efficiencies within AHFA and some modification of the service delivery framework imposed by ACHA.

Whilst AHFA was identified to be facing a challenging financial position and required a restructure of its business plan to ensure a viable and sustainable future, there were a number of key points that informed the decision to support AHFA by extending their loan facility:

- Over the 2 financial years 2013-14 and 2014-15 AHFA has achieved a net profit of £65,000. AHFA gift aided £233,000 to ACHA from its 2013-14 profits.
- With around £1,500,000 of labour costs embedded in AHFA there is effectively a VAT saving of around £300,000.
- There are high levels of tenant satisfaction with the repairs service.
- ACHA previously experienced a significant overspend on repairs.

It was recognised that the original trading parameters that required the repayment of the loan facility and the 80% gift aid requirement at each year end were too onerous. The repayment date for the loan was revised to 2018-19 and the resumption of gift can be reviewed after that repayment.

The establishment of AHFA and related matters are set out in Appendix 6.

3.2.2 Void Repairs

a. Void Standard

ACHA lets its property to a minimum standard as set out in the Void Management Policy June 2015 and the standard is set to ensure that the house is safe and secure for occupation.

Minimum Letting Standard

This is the minimum standard to which all houses should be brought before being re-let. It is the standard which makes a house safe and secure for occupation.

Before a property is re-let, all repairs which are considered essential to make the property habitable for health and safety and security will be done.

The repairs checklist attached to the back of the Void Inspection Report is a useful prompt to ensure the necessary checks have been carried out and repairs instructed accordingly.

- All items of furnishings other than those to be left for the ingoing tenants should be cleared from the house, cellars and roof spaces. Floors should be swept and free from remnants of floor coverings.
- Windows and doors will open easily and defective locks will be replaced
- The property will be wind and watertight and free from rising and penetrating damp
- All services, water, electricity and gas (where applicable) will be functioning. The services will be checked and confirmed safe
- All sanitary ware must be clean, functional and free from blockages, leaks and corrosion. During periods where temperatures are falling below 2C systems should be drained down completely if the house is to be unoccupied for more than one day
- Each kitchen should have at least a sink unit and base, plus one 1000 base unit and 1000 wall unit or equivalent for storage and at least 1.2 metre worktop, where physically possible. Kitchen units will have doors, which open and close properly and all fittings will be secure. Drawers on units will run freely and have proper handles attached.
- If a complete new kitchen is required this should be comparable to the standard fitted in the Investment Programme.
- Any offensive smells should be completely eradicated from the property.

b. Void Performance

The performance figures for voids are in Table 8. The number of voids and relet times are based on the APSR/ARC return data and the performance figures for void repairs are based on the KPI figures reported at year end. The 2010/11 figures were presented in a different format and did not include the same data.

Table 8 Void Performance

Description	2010/11	2011/12	2012/13	2013/14	2014/15	Average
Total number of relets	481	476	445	635	548	517
Relets up to 16 weeks	386	415	416	518	448	437
% relets in 16 weeks	80%	87%	93%	82%	82%	85%
Average time to relet	42	45	40	53	53	47
Low demand no. of properties		249	320	289	286	286
Unlet at end Mar		28	47	103	120	75
Total number of void repairs		1584	1830	2117	2176	1927
Average number of repairs per property		3.3	4.1	3.3	4.0	3.7
% void repairs completed on time		99%	99%	93%	95%	96%

ACHA aims to carry out all void repairs within 6 days of the vacant house inspection. The figures show that in 2014/15 95% of repairs to vacant houses were carried out within target. All void repairs are instructed through the repairs subsidiary, Argyll Homes For All (AHFA).

Action – the void targets are being reviewed to take account of the condition and demand for the property. The new void targets will be implemented and monitored in 2015/16.

The average cost of repairs to voids in the last five years is £514 per void. There have been 47 days lost per property over the last five years or 2.8% of the lettable period and on average there were 517 voids per annum.

The loss of rent through voids has grown over the last five years and is illustrated in Table 9.

Table 9

Total void rent loss	
Year	£
2014-15	656,000
2013-14	592,000
2012-13	411,000
2011-12	308,000
2010-11	309,000

The normal voids are meeting target times and being let in an efficient manner. The long term voids that are affected by very low demand in

Rothesay and Campbeltown are the cause of the growth in void rent loss. The issue of low demand in Rothesay and Campbeltown is outwith the control of ACHA and is driven by underlying economic conditions that prevail in these areas.

c. Pre-Inspections and Rechargeable Repairs

The purpose of inspections is to ensure that maintenance costs incurred as a consequence of the property becoming void are minimised and that the outgoing tenant is informed of outstanding repairs or redecoration which are their responsibility and which, if not undertaken, will result in a rechargeable repair.

Pre-termination inspection – when a tenant informs us that they are leaving their property an inspection will be undertaken prior to them vacating. It will be explained to the outgoing tenant that they must attend to any items that are required to be fixed, that are their responsibility. If these items are not fixed at the termination of tenancy, they will be given the opportunity to confirm if they wish us to undertake these works on their behalf, or for the keys to be returned to them until the necessary work is completed. They will be responsible for the rent until the property meets the required standard.

Vacant House Inspection – with outgoing tenant – where possible, a member of our staff will meet the outgoing tenant at the property in order to collect the keys and to carry out a full inspection of the property. The purpose of this inspection is to ensure that the property meets the required standard. If requested by the tenant at the pre-termination inspection, it may result in the outgoing tenant being asked to complete the necessary work. They will be responsible for the rent until the property meets the required standard.

Vacant House Inspection – when the tenant has vacated the property a full inspection will be undertaken. Works will be carried out to ensure that the property meets the minimum letting standard, prior to it being relet. If rechargeable works are identified the tenant will either be asked to complete the necessary work, and be responsible for the rent during this period, or we will carry out the work on their behalf and recharge them the associated costs.

The association will pursue tenants for rechargeable costs arising from the termination of their tenancy.

d. Pre-Allocate Property

We will pre-select an applicant for a vacant property as soon as possible after the notice has been received. This is to minimise any void rental loss.

e. Post Inspections

Our subsidiary, AHFA, carry out 100% post inspections on voids properties to ensure that the void standards are maintained.

f. Utilities

We appointed British Gas in June 2014 as its preferred energy supplier for all of its void properties. This allows meters to be reset to one supplier which assists new tenants. However, they are free to move to a supplier of their choice once they take up the tenancy.

We have been following the developments with 'Our Power', a housing association developed supply company, to determine if this would offer opportunities for ACHA and its tenants.

Action - We will review all future opportunities for working with supply companies

3.3 Cyclical Maintenance

‘Cyclical maintenance’ refers to work that is carried out at regular intervals and in some cases to comply with statutory requirements. Any defects identified at a service inspection are then reported through the response repairs service to be rectified. Planned replacement of element will be included in the elemental replacement programme.

The cyclical maintenance programme is undertaken in line with a range of procedures included in the investment and regeneration procedures and statutory requirements. These cover external painting, grounds maintenance, servicing of heating systems for gas, oil and solid fuel, asbestos management and a range of safety checks.

The current range and number of cyclical maintenance activities is summarised in Table 10.

Table 10 – Cyclical Maintenance

Cyclical Element	No. Per annum	Unit Type	Cycle Frequency
External Painting	600	Block	5 years
Painting to common areas			7 years
Grounds Maintenance	424,728	m ² (est)	Dependent on season and type
Gas Maintenance	2535	House	10 months
Solid Fuel Appliances	631	House	2 x Annual
Fire Alarm Systems	11	System	Annual
Portable Fire Fighting Equipment	16	Piece	Annual
Warden Call / Door Entry Systems	12	System	Annual
Lift Maintenance	6	Lift	Annual
Electrical Control Plant	1	Plant	Annual
Boiler Maintenance	1	Boiler	Annual
SD / CO Detectors	280	House	As required
Water Treatment Equipment	6	Location	Annual
Pressurised Water Cylinders	259	Cylinder	Annual
Disabled Adaptations (Maintenance)	95	Adaptation	Annual
Non mains (private) sewerage systems	19	System	Annual
Oil Fired Appliances	24	House	Annual
Gutter Cleaning	843	House	Annual
	33	Blocks	Annual
CCTV	1	Unit	Annual
Play Area Inspections	31	Play Area	As risk assessed by Area Team Annual by Insurer
Energy Performance Certification	1934	Voids	As required

3.3.1 Painting Programme

ACHA has an annual external painting programme which aims to paint all properties on a five year cycle. Pre-painting repairs are arranged at the same time and are administered through the planned maintenance section with a dedicated budget line.

In 2014/15, the external painting programme completed 497 properties after minor pre-painter work repairs. The costs for painting averaged £587 per property with an average of £64 of pre-painter work repairs.

In 2013/14, the external Paint programme completed 642 properties after minor pre-paintwork repairs. The cost for painting averaged £613 per property with an average of £66 of pre-painter work repairs.

The paint contract works on blocks rather than individual properties. We have 3380 blocks that include blocks of 4, 6, 8 or 12 properties and therefore are working to a cycle of approximately 5.6 years. However 728 of these blocks have shared tenure with private owners and there is traditionally a low level of private owner agreement to proceed with painting contracts. Where we cannot get the owner's agreement, we will proceed with window only contract within multi tenure blocks.

A painting programme was awarded to the subsidiary, Argyll Homes For All from April 2015 on a three year contract with one optional additional year.

3.3.2 Common Closes and Void Painting

The close painting and void painting budget was administered by Housing and Neighbourhood Services. The common areas in the sheltered housing complexes are to be painted through this budget and are not recharged as part of the sheltered housing service charge.

The budget for 2015/16 is £10,000 for close painting. These works are procured and delivered on an ad-hoc basis using a paint contractor, as and when required.

The void painting budget of £108,000.00 for 2015/16 is used for ex gratia redecoration allowances as well as assisting the low demand housing incentive scheme and will continue to be managed by Housing and Neighbourhood Services

Action - To develop a planned programme of painting internal sheltered housing spaces and closes.

3.3.3 Grounds Maintenance

a. Grounds Maintenance

The estates of ACHA are maintained through a scheme of grounds maintenance. The grounds have been assessed and defined as high maintenance which is cut 13 times per year with alternate uplift of cuttings, medium maintenance which is cut 8 times per year or low maintenance which is cut twice a year during the growing season. An assisted garden grass cutting service is offered to elderly or vulnerable tenants and is assisting over 250 tenants.

Some of this land is in common ownership with 'right to buy' owners and these rights and responsibilities have been partially mapped through title analysis. The complete analysis of titles is too time consuming and costly and will only be undertaken as required by circumstance.

ACHA manages 424,728m² of ground through the grounds maintenance contract and it is broken into the maintenance types shown in Table 11. The review of maintenance ground reduced the areas we maintain by 140,000 m² since 2010 with consequent budget savings.

Table 11 – Ground Maintenance

Maintenance Type	Area Maintained by m ²
High standard grass cuts	169,919
Medium standard Grass cuts	71,723
Rough standard Grass cuts	33,200
Assisted Garden Grass	28464
Flower beds	13
Shrubs	3479
Weed-kill	113198
Japanese Knotweed	4732

After a competitive tender, ISS Ltd was awarded the grounds maintenance contract for all areas and the contract runs from April 2015 to March 2018.

b. Trees

In ACHA's estates there are many mature trees in various conditions that could represent a risk to people and property. It is important that the risk is managed and therefore tree surveys are undertaken. The survey includes the following:

- A comprehensive survey record for each tree
- Assessment of risk to people and local infrastructure

- A prioritised work plan (via a database) to assist in correct order of work management, including proposed work/further inspections
- Time period for next inspection or action
- A mapping system showing locations of all trees to assist in further planning
- Wildlife & Protected Species.
- The budget for any works required to trees arising from surveys is included in the all-inclusive term maintenance contract

All the information gathered is held on the geographic information system.

3.3.4 Gas Servicing

The Association has 2535 properties with gas installations which require to be serviced annually to the regulatory standard. The number of houses with gas heating has increased by 360 since 2010. There are significant numbers of properties with gas heating systems installed in Oban, Helensburgh, Dunoon, Campbeltown and Rothesay. Most other areas are off the gas grid.

At 30th June 2015, ACHA had 100% of its houses with a valid certificate, with only 0.28% of appliances taking longer than 12 months to service. This level of performance has now been maintained for over 4 years as illustrated in Table 12.

Table 12 – Gas servicing performance

Year	2010/11	2011/12	2012/13	2013/14	2014/15	Average
% Gas certificates in 12 months	97.20%	99.40%	100%	100%	99.88%	99.30%

The current Health and Safety legislation controls this activity and imposes responsibilities on landlords to ensure that gas appliances are checked for safety every twelve months.

We have a robust administrative system to arrange for the servicing of gas installations and are working to a 10 month cycle to ensure compliance. In addition, all void properties are serviced at the point that they are vacated. All the necessary steps are documented in the gas servicing procedures and they will be followed to gain access. These include follow up letters and an explanation of proposed actions. Housing Management staff members assist with contacting tenants and explaining the necessity of the gas servicing. If unsuccessful, we take action through the No Access Policy and recharge the tenants any

associated costs. There were 33 tenants recharged for access issues in 2014/15.

5% of gas services are subject to a check by a suitably qualified independent service provider and these demonstrate that a high quality service is being delivered.

Landlord Gas Safety Records are submitted by the contractor electronically and held in the dedicated house files. We check and maintain records of the gas certification of the contractor and the qualifications of the engineers employed to ensure compliance with the relevant gas regulations.

Argyll Homes For All was awarded a three year gas servicing contract for all the areas and the contract runs until the end of March 2016 with the option of a one year extension. The servicing costs are approximately £50 per property per annum.

Action - The contract will be reviewed by March 2016 and a recommendation will be taken to the Board in respect of the one year extension.

Action – we will consider other measures for tenants who have regular no access issues such as fitting restrictors or alarms.

3.3.5 Solid Fuel Maintenance

Solid Fuel is the principle or supplementary fuel type in approximately 630 homes. The solid fuel appliances are serviced annually with a second sweep of flues approximately six months after the date of the annual service, and the repair, replacement of minor components, equipment etc., forming part of the solid fuel installations. Carbon Monoxide detectors are installed where they are missing or faulty. In addition, all voids with solid fuel are serviced during the void period. The number of houses with maintained solid fuel systems has reduced by 320 since 2010.

Argyll Homes For All was awarded the contract for all the areas, for chimney sweeping and solid fuel services. The contract runs from April 2013 for three years and terminates 31st March 2016 with a one year optional extension.

Action - The contract will be reviewed by March 2016 and a recommendation will be taken to the Board in respect of the one year extension.

3.3.6 Fire Alarm Systems

We have responsibility to maintain eleven fire alarm systems which are installed within our sheltered housing complexes and three in office accommodation. In addition, these systems are monitored by an auto dialler system. The current agreement is a fully comprehensive servicing, repairs and maintenance contract.

The Association currently have fire alarm systems installed at the following locations which are maintained on a quarterly basis by the service provider, Argyll Homes For All:

- Wallace Court, Dunoon
- Cragroy, Dunoon
- Ferfadd Court, Rothesay
- Elder Crescent, Islay
- MacDougall Place, Isle of Mull
- Ford Spence Court, Oban
- Dunmar Court, Oban
- Caledonia Court, Lochgilphead
- Lochgair Place, Tarbert
- McCracken Court, Lochgilphead
- Chalmers Court, Inverary

Our HRCS department has their own agreement in place with Chubb to maintain the fire alarm systems in the Ardrishaig and Helensburgh office and Secom in the Oban office.

- Chalmers Street Ardrishaig - Office
- Menzies House, Oban – Office
- Lamont House, Helensburgh - Office

Action - The maintenance of all these systems will be brought under a single contract at the next appropriate break in contracts.

3.3.7 Portable Fire Fighting Equipment

We undertake an annual inspection and servicing of fire extinguishers and fire blankets. There are 14 locations where there is PPFE in sheltered housing complexes, and Travelling Person site offices.

The Association currently have Portable Fire Fighting Equipment installed at the following locations:

- Wallace Court, Dunoon
- Cragroy, Dunoon
- Ferfadd Court, Rothesay
- MacDougall Place, Isle of Mull
- Ford Spence Court, Oban
- Dunmar Court, Oban
- Caledonia Court, Lochgilphead
- Lochgair Place, Tarbert
- McCracken Court, Lochgilphead
- Chalmers Court, Inverary
- Torlochan TP Site, Dunoon
- Dunholigan TP Site, Lochgilphead
- Ledaig TP Site, Oban
- Ardrishaig Office

The current maintenance contract is on a three year arrangement with Fife Fire.

3.3.8 Warden Call / Door Entry Systems

There are warden call and door entry systems in 12 locations at the sheltered housing complexes. There is a 'silver service' call out contract with Tunstall which is for five years and runs to 31st March 2016.

3.3.9 Lift Maintenance

We have a responsibility to inspect, maintain and service passenger lifts which are installed within its stock. The Association currently have six lifts installed in sheltered housing complexes at the following locations:

- Wallace Court, Dunoon, Argyll
- Cragroy, Dunoon, Argyll
- Ferfadd Court, Rothesay
- Ford Spence Court, Oban
- Dunmar Court, Oban
- Caledonia Court, Lochgilphead

The current agreement is a fully comprehensive servicing, repairs and maintenance contract.

The contract allows for appropriate inspection regimes which allow for quarterly or bi-monthly visits. The lifts were recently upgraded to comply

with EN81-2:1998. The current servicing contract is with OTIS (Scotland) Ltd ends 31st March 2017 with an optional extra year.

Action - The contract will be reviewed by March 17 in respect of the one year extension.

3.3.10 Electrical Control Plant

The Electrical Control Plant at Ferfadd Court, Bute is serviced annually by Milngavie Controls on an annual contract.

3.3.11 Boiler Maintenance

There is an oil boiler at the sheltered housing complex at Ferfadd Court, Rothesay that provides communal heating and it is serviced annually by JV Heating.

3.3.12 Smoke Detectors and Carbon Monoxide Detectors

All houses require smoke detectors and all properties with gas, oil or solid fuel heating require a carbon monoxide detector. All installations need to be serviced every two years and planned for replacement every 10 years. In addition, all detectors are serviced when the gas, oil or solid fuel systems are serviced, and are replaced at this time as necessary.

We have completed a major programme of installing new kitchen, rewires and heating. In all these contracts appropriate detectors have been installed and/or renewed.

Action - A schedule of all the detectors and their installation date will be developed and a maintenance regime introduced perhaps through the proposed safety and risk assessment project.

3.3.13 Water Treatment Equipment

We have a monitoring and risk assessment contract in place to continually evaluate the water quality within our sheltered housing complexes. These checks include monthly temperature checks, quarterly disinfection of shower heads, bi-annual testing of cold water storage tanks, water testing and annual clean and disinfection.

The Oban and Ardrishaig Offices also have risk assessment and testing regimes in place.

There is a current monitoring contract is with Integrated Water Services and it is in place until end 31st March 2016.

The risk assessment contract is carried out by Chemtech Consultancy Ltd and runs until August 2015. Following this, a review will be carried out of the necessary frequency of required risk assessments to ensure the association complies with the new L8 approved code of practice.

We also have an independent auditor, Hydrop Ltd, in place to carry out annual audits of our policies and procedures.

Action – the contract will be tendered before March 2016.

3.3.14 Pressurised Water Cylinders

We service annually 209 unvented pressurised water cylinders. The number of pressurised water cylinders we maintain has increased by 180 since 2010.

A three year servicing contract is in place with Kevan Brown Ltd and this contract runs until 31st March 2016.

Action – the contract will be tendered before March 2016.

3.3.15 Disabled Adaptations - Maintenance

We service annually 95 separate disabled adaptations installed in tenants homes. The adaptation equipment includes tracks and hoists, through the floor lifts, stair lifts and closomat toilets. The servicing of these installations is done annually and a percentage of these installations are checked by a third party to ensure the services are undertaken properly.

The servicing contractor is Advanced Stairlifts Scotland Ltd and the contract runs until 31st March 2018.

Action – the contract will be tendered before March 2018.

3.3.16 Non mains (private) sewerage systems

Septic tanks are cleaned annually where there is agreement with owners to proceed with the maintenance. Currently of thirty-eight private sewerage systems, servicing arrangements have been agreed for thirteen systems. The average cost of cleaning septic tanks is £300 per tank per annum. A survey has been completed on each tank that we have ownership of or a shared ownership of and some repair and renewal works is on-going. Following the upgrade programme, a formal servicing agreement will be developed on a three year contract.

Some systems will have mechanical and electrical parts that need to be serviced annually and emptied every two years or as required. These will all be assessed individually upon completion of the upgrade works.

3.3.17 Oil Fired Appliances

We service 24 oil heating systems annually. No new oil heating systems are being installed and the current systems will be replaced through the elemental replacement programme as required.

Kevan Brown Ltd services these appliances throughout all areas and the contract is in place until March 2017.

Action – the contract will be tendered before March 2017.

3.3.18 Gutter Cleaning

We have a three year contract with Argyll Homes For All to clean all gutters the association owns over a three year cycle for low level properties, i.e. bungalows, 1½ storey & 2 storey, and a 2 year cycle for all blocks of flats. Private owner engagement is carried out to invite owners to participate in our multi tenure blocks.

However we have concerns that the current cycle of gutter cleaning may not be frequent enough to keep the gutters clean. This has an adverse impact on the visual appearance of our houses and the life of the gutters.

Action - We will review the budget requirements to shorten the cleaning cycle and consider the implications as part of the next budget review.

Action - The contract will be reviewed by March 2016 and a recommendation will be taken to the Board in respect of the one year extension.

3.3.19 CCTV

There is one CCTV installation at Williamson Drive, Helensburgh and the cost is met through response repairs budget. A new CCTV system was installed in the travelling person's site at Torlochan in Cowal and there is one in the Glenshelloch Office in Oban that is serviced by the alarm company Secom. There is a CCTV internally at Lamont House.

3.3.20 Electrical Installations – domestic

We have completed a major programme of upgrading electrical installations in our houses. All houses not recently rewired are programmed for periodic inspection and testing over the next 5 years. In order to ensure all properties have valid electrical certificates, 1000 properties will be included in the programme each year from April 2016.

Argyll Homes For All was awarded the contract for all the areas and the contract runs from April 2013 for three years and terminates 31st March 2016 with a one year optional extension.

Action - We will review the budget requirements to shorten the inspection cycle and consider the implications as part of the next budget review.

Action - The contract will be reviewed in March 2016 and a recommendation will be taken to the Board in respect of the one year extension.

3.3.21 Play Area Inspections

We have 28 play areas including one where the lease has recently ended with a community group. We also lease one play area in Inveraray from Argyll Estates. The play areas in ACHA's control are inspected on a regular basis, based on risk assessments, by association officers trained by RoSPA and annually the Association's insurers undertake a risk assessment on the play areas.

3.3.22 Energy Performance Certification

In preparation for the introduction of the Energy Performance Certificates (EPC), as part of the stock condition survey in 2011, all of the data for an RD-SAP assessment was included in the survey and this data is sufficient data to produce an EPC.

EPC certificates are produced by three main methods:

For new Build Properties – the design team consultants produce these as part of the Building Warrant Procedure;

For existing Properties – the EPC is from the stock condition survey information and cloned database by the Consultants, Bacra Ltd. We provide a checklist and photographs to the consultant to allow the cloned data to be cross-checked;

For existing properties (where the cloned data is insufficient) – We produce an EPC by collecting data on the property and inputting it into standard approved software provided by Elmhurst Energy. Only qualified personnel undertake this duty and we have two staff members fully trained as Domestic Energy Assessors to produce EPCs.

We have procedures to guide staff through the production of certificates and to confirm the certificates are affixed to the property or provided to the purchasers for RTBs.

Since the introduction of the Energy Performance Certificate requirements, ACHA has produced over 1934 EPCs.

3.3.23 Asbestos Inspections

Current policy is to adopt a ‘managed risk’ approach; to leave materials containing asbestos (ACMs) in situ where it is undamaged and poses no immediate threat to health and safety and to advise all those who need the information of its existence. The Asbestos Management Plan was approved in 2014 by the Board and it complies with current legislation.

A 20% survey was undertaken pre-transfer in 2001 and the results cloned to create a 100% database. The survey indicated that there was 49% of the property that had a form of ACMs. A risk assessment was undertaken of all the acms sampled and the risk bands can be summarised as none in band A (High Risk), 1.6% in band B (medium risk – such as floor tiles in closes), 22% in band C (Low risk – WC cisterns, soffits and floor tiles), 28% in band D (Minor Risks – undercloaks, soffits and floor tiles) and 47% in band E (analysis returned – no suspect material). An asbestos module which is integrated with the core management software system has been populated with the relevant and the data is available when works are instructed.

There is an annual management inspection carried out on all known items recorded as ACMs and this task is part of the service delivered by by Argyll Homes For All as part of the service level agreement.

In 2014/15, the association undertook an exercise to test and removed ACMs in fascias and soffits from our properties as part of the external painterwork programme. The new timber soffits were painted as part of 2014/15’s external paint contract.

3.4 Adaptations

We undertake adaptations for our tenants largely based on their needs as defined by the Occupational Therapy Service and within the grant allocation available from Scottish Government.

There are level access showers in 338 properties, stair lifts in 74, 27 ramps, 8 hoist tracks, 4 Medic Loo and 2 Step lifts and a total of 417 properties recorded with some adaptation at 31st March 2015. However it is suspected that the pre-transfer records were not complete and adaptations may have been removed for new tenants without records being updated

The investment in adaptations in our stock is summarised in Table 13.

Table 13 Adaptation Funding

Year	No of AA's completed	Grant received £
2006/07	44	£92,776
2007/08	66	£125,934
2008/09	206	£293,439
2009/10	349	£246,478
2010/11	444	£199,939
2011/12	297	£177,388
2012/13	276	£228,113
2013/14	213	£274,155
2014/15	177	£320,154
Total	2072	£1,758,639

The average cost of adaptations was £850 but this figure was significantly reduced due to the cross funding of applications through bathroom replacements funded by the investment programme.

The over four hundred major adaptations we have recorded, do not include the many and various smaller adaptations such as driveways, paths, handrails, fencing, bannisters, grab rails, heating systems, over bath showers, widening doorways and other miscellaneous adaptations completed to the fabric of our buildings to make life easier for our tenants in their homes.

The Board approved a revised Accessible Housing Policy in February 2013 and it sets the practice for adaptations. The policy requires consideration in any new build development of the inclusion of new homes to be designed to a full disabled standard. Their inclusion will be based on known demand identified in the local community. The

adaptation procedures are included in the Investment and Regeneration Procedures.

The Scottish Government calls for annual bids for a grant allocation for disabled adaptations and the allocation will determine the number and value of adaptations we can undertake.

Small adaptations, under £200, can be undertaken without an Occupational Therapist's (OT) report and can be instructed locally. Larger adaptations require an OT's referral certificate. The cost of adaptations is reclaimed as grant from the Scottish Government up to the amount of grant allocation available each year. When the grant funds are fully committed, adaptation work will cease. All referrals received after that time will be held pending the new financial year and the next grant allocation.

When ACHA was running a large bathroom renewal programme funded by the transfer business plan, only the 'extra over' costs of adaptations installed through the investment programme could be claimed. This programme is complete and therefore 100% of the cost of adaptations will be claimed up to the budget allocation limit. The additional cost of claiming the full amount of adaptations means that the number of adaptations we undertake will be reduced in comparison to previous years.

The Association has been allocated £272,000 for 2015/16 in grant by the Scottish Government to support the adaptations. One major adaptation is being supported which has been allocated £100,000 in grant in addition to the £272,000.

In terms of performance, the ARC requires us to report on two performance measures which are summarised in Table 14.

Table 14 Adaptation Performance

Performance Description	2013/14	2014/15	Average
Adaptations % complete	90.95%	69.42%	80.19%
Adaptations average to complete in days	60.00	70.93	65.47

Action - From October 2015, the adaptation procedure will be centralised to streamline the process and reduce the time for works to proceed. However the number of adaptations that complete will be limited by the grant funding allocation available.

3.5 Stock Condition and Compliance with Standards

3.5.1 Scottish Housing Quality Standard

At stock transfer in 2006, the Business Plan was focused on delivering the Scottish Housing Quality Standard (SHQS) and was supported by grant support from the Scottish Government and private finance from Lloyds Banking.

The transfer agreement grant offer required an increasing cumulative SHQS compliance every year as shown in Table 15.

Table 15 Percentage SHQS compliance

Year End	%	Year	%
2006/07	1.0%	2011/12	46.0%
2007/08	4.0%	2012/13	60.0%
2008/09	10.0%	2013/14	76.0%
2009/10	18.0%	2014/15	89.0%
2010/11	30.0%	2015/16	99.5%

The Scottish Housing Quality Standard required to be delivered by meeting the 5 broad criteria, 55 elements and 9 sub-elements of the standard. For each element, the property is designated as pass, fail, not applicable, exemption or abeyance for the approximately 300,000 individual items.

After March 2015, the Scottish Housing Charter requires that:

‘tenants’ homes, as a minimum, meet the Scottish Housing Quality Standard (SHQS) by April 2015 and continue to meet it thereafter, and when they are allocated, are always clean, tidy and in a good state of repair.’

3.5.1 Stock Condition Survey

a. Methodology

In 2008, a 22% stock condition survey was commissioned which has produced a fully cloned stock database. The survey was undertaken by experienced external consultants and ensured a representative

coverage of the housing stock by type and location. Sampling was conducted in each of the local management areas and within each housing archetype.

In July 2010, the consultants were commissioned to extend the initial survey to 100% coverage of the tenanted stock. An updated report was completed in May 2011.

Each sampled dwelling was inspected internally and externally. Information collected included construction characteristics, standards of dwelling amenities and services, energy efficiency, current repair conditions, projected future major repairs and performance against the Scottish Housing Quality Standard.

Action - We are commissioning a new external independent survey to supplement the data that we collate internally. The survey will be procured in 2015/16 and the data will be used to update the Asset Management Strategy during 2016/17.

b. Stock Condition Database

An electronic database of house condition information was developed and the database has been updated annually to include upgrades that took place in the previous year. The SHQS standard is reviewed for every property to ensure that all non-compliances are upgraded where reasonably practicable and technically feasible. All exemptions, abeyances and not applicable status are recorded against each element and property.

3.5.2 SHQS Performance

Table 16 summarises the progress with SHQS compliance as reported in the APSR/ARC returns. The returns require the information presented in different formats but for ease of comparison the table has used the data in the same format where the data was available.

Table 16 SHQS compliance

SHQS Compliance	2010/11	2011/12	2012/13	2013/14	2014/15
SHQS Fail	3388	2722	1910	554	0
SHQS Exempt	-	430	1166	1107	747
SHQS Abeyance	-	-	-	-	671
SHQS Compliant	1727	1904	1978	3373	3707
Not in scope of SHQS	-	33	13	13	6
Total Stock	5115	5089	5067	5047	5131
% properties that fail	66%	53%	38%	11%	0%

% properties with exemptions or abeyances	-	8%	23%	22%	28%
% SHQS compliant, including exemption and abeyance as passes	34%	47%	62%	89%	100%

3.5.3 Abeyances and Exemptions

It will not be easy to reduce exemptions and abeyances as they have occurred due to legitimate and reasonable factors that are included in the 2011 guidance.

We have reviewed the highest areas of exemptions and abeyances are acting to reduce the number through these actions:

a. Common Doors

There are over 600 properties affected by this abeyance. The owners on the common closes have been approached to agree to meet their share of the cost of installing or upgrading common doors and/or door entry systems. Partly due to cost and partly due to a lack of a perception of insecurity, most owners have refused to participate. It seemed unlikely that further similar approaches will change this position and there is no compulsion that can be applied to these owners to participate.

We reviewed the number of properties in which ACHA is in the majority in a close. A total of 85 blocks are affected where there is a majority of ACHA tenants, the split being 409 affected ACHA properties and 129 privately owned properties.

We are prepared to meet all the costs of these common door/door entry upgrades and thereby try to reduce the number of abeyances by over 400. However even meeting all the costs, we still need owners' consent but a higher agreement rate may be reached.

While it is far from ideal to use our funds to meet an owner's share of upgrading common access, it should have a cost effective impact in an area of abeyance where we have no other tools to use and would provide our tenants with more secure homes.

Action - We will arrange a programme of owner engagement and common door/door entry installations in 2015/16.

b. Energy Ratings

The energy improvements need to be 'technically feasible and of proportionate cost' as per the Scottish Government guidance and this is particularly difficult off the gas grid. Up to 640 properties are affected by exemptions or abeyances. Almost all the affected properties are off the gas grid and therefore much more difficult to meet the SHQS energy rating. The stock was modelled for a wide range of energy efficiency measures under the reduced Standard Assessment Procedure (RD SAP). For example, even with a wide range of measures considered 67 properties will fail with all possible measures. The cost of many of the measures is disproportionate to the increase in the energy rating, some measures would entail replacing heating systems in advance of reaching the end of their useful life and, in other properties, we are limited due to owners not being willing to participate in common upgrades such as external insulated render.

There is a large programme of External Wall Insulation (EWI) on site and further contracts about to be issued. These contracts were delayed as we tried to secure ECO grant which eventually was not forthcoming due to a government policy change. The EWI will ensure that the external envelope of the properties is to a high standard that will allow us to efficiently introduce renewable measures such as air-sourced heat pumps in harder to treat homes. The Renewable Heat Incentive was only launched in Mar 2014 to make these installations cost effective and they could not proceed until the building envelope was more energy efficient and there is a budget available.

Action - We will review all possible measures for the new Energy Efficiency Standard for Social Housing.

c. Common Repair Abeyances

Up to 150 properties are affected. These are a range of minor and not so minor common repairs that are in common ownership property. We are continuing to work with the owners and, for the worst properties, with the Council to secure repair projects. Our engagement with the Council has led to them enforce repair notices on a small group of properties to allow a larger project to proceed. The Council have decided to reduce the budget to support Private Sector Housing Grant to £750,000 for 2015/16 and the majority of these funds will be targeted at adaptations. This will mean that there is very little opportunity to secure grants for our neighbours or to request notices where owner refuse to participate.

Action - We will continue to engage with owners to agree common works.

Action – We will continue to liaise with Argyll and Bute Council where they have the capacity to assist with grants or enforcement action.

Action - We will explore the option of stock rationalisation and the option of reducing our presence in common blocks where our ownership is in the minority and we have significant investment issues in the properties. Stock rationalisation may also be a useful tool for tackling low demand property.

d. Tenant Refusals for internal works

There are over 50 properties affected by this category. The tenants have refused or denied access for works such as kitchens, heating, bathrooms, rewire and loft insulation.

Action - We will continue to engage with tenants and will upgrade elements when their agreement is secured or when the property is next void. There is the option to force a decant action to undertake the works but this is too draconian solution for some very elderly or unwell tenants.

3.5.4 Energy Efficiency Standard for Social Housing

a. Introduction

The Scottish Government published the Energy Efficiency Standards for Social Housing (EESH) in March 2014. The EESH sets target energy efficiency standards to be met by all social housing by 31st December 2020. The purpose of the EESH is to cut carbon emissions and to alleviate the impacts of fuel poverty.

The standards are based on the Standard Assessment Procedure energy rating system (SAP) used to measure the energy efficiency of a property. A target has been set for a range of property types and current heating fuel as shown in Table 17 which includes a comparison with the SHQS energy rating target which did not differentiate the different houses types.

Table 17 – EESH Targets – Energy Efficiency Rating (SAP 2009)

Dwelling Type	Gas	Electric
Flats	69	65
Four in a block	65	65
Houses (not detached)	69	65
Detached	60	60

b. Reasonable Measures

The Scottish Government have identified a range of improvements that they refer to as “reasonable measures”:

Condensing boilers	Cavity wall insulation
Double or secondary glazing	Compact fluorescent lighting
Heating controls	Floor insulation
Storage heaters	External solid wall insulation (where applicable)
Loft insulation top up	

A set of Reasonable Measures have been highlighted because they provide a good balance of benefits and cost, and these have been considered when preparing approaches to achieving the standard.

If these Reasonable Measures fail to meet the EESSH then there will be an initial consideration of what ‘Business as Usual’ works (i.e. cyclical replacement of existing elements, for example boilers) are planned to occur anyway. The upgrade of the replacement components may assist with improved energy efficiency.

For harder to treat properties, additional measures may need to be considered including using renewable technologies. A range of renewables solutions such as biomass, solar hot water, photovoltaic panels, air/ground source heat pump, micro combined heat and power, may be considered. Options such as district heating, heat recovery and flat-roof insulation may also be appropriate in specific circumstances.

c. Review and Exemptions

A 2017 review has been established to assess progress of landlords towards the 2020 targets. This will also cover potential future milestones and, importantly, review landlords’ success in accessing funds.

In large part due to concerns around funding and costs, the Scottish Government has introduced a number of categories of temporary exemptions from EESSH.

- Technical – where the build type means that the property is unsuitable for measures
- Legal – e.g. where a property is in a conservation area or is listed, preventing measures from being installed
- Excessive cost

- Social – where a tenant or adjoining owner refuses measures
- Disposal – where the landlord’s asset management strategy or regeneration plans mean that they plan to sell the property
- Unable to secure funding (from 2017) – where ECO or other funds are not available to fund improvements

d. Compliance

The Scottish Housing Regulator (SHR) has agreed to monitor and regulate landlords’ progress towards the EESSH 2020 targets. Data will first be collected for the financial year 2015-16, with the first set of data being collected in May 2016.

At the end of March 2015, energy modelling suggests that 72% properties pass the new EESSH. Therefore in the period, 1st April 2015 to 31st December 2020, 1439 properties will require some form of upgrade to meet the standard. It is estimated that 370 properties may be exempt at December 2020, based on the exemptions in EESSH.

By delivering the SHQS many of the simpler ‘reasonable measures’ have already been installed. All properties, where it is technically feasible and where access, has been secured, have loft insulation up to 250mm in depth or above, have an insulated cavity, an efficient heating system including an insulated hot water tank and heating controls, double glazing and modern insulated external doors.

The delivery plan prepared in August 2014 that analysed measures required at a high level and the requirements of the condition replacements identified a funding gap of £2.5m between the budget and the costs. However it is recognised that some of the cost might be mitigated by energy efficiency grants. On the negative perspective, there is downward pressure of energy grants and the possible removal of VAT relief on energy efficiency installations could increase costs by £2m in the period to December 2020.

Actions from EESSH Plan

- Support the continuing development of energy modelling and cost effective solutions to deliver EESSH
- Commission ‘Energy Efficient Heating and Renewable Report’ to review cost and benefits of ‘additional measures’ in EESSH and seek new and innovative solutions.
- Review target measures and related budgets when new stock condition data available in September 2016.

- Develop property delivery plan based on condition priorities and reasonable measures in EESSH.

3.6 Planned Elemental Replacement and the Investment Programme

The planned elemental programme is developed from a number of key strands:

- reducing exemptions and abeyances under SHQS
- maintaining SHQS compliance by preventing new condition failures
- improving properties to meet EESSH in most cost effective manner
- responding to front line referrals, in particular for external condition upgrades
- reviewing and planning stock condition survey recommended replacement cycles
- developing planned maintenance programmes for common parts of the sheltered housing complexes including common kitchens and toilet facilities, fire alarms, lifts and fire equipment
- engaging with owners for roof and roughcast work and work to common parts
- developing refurbishment works for properties with multiple defects or special repair issues

Due respect will be required to the existing major repair strand in the approved Business Plan. There is no flexibility within the current budget to exceed the planned investment amounts and condition replacement cycles may need to be extended to not exceed budgets. The rent harmonisation may offer opportunities to target more funds towards the Investment Programme if they are required.

3.6.1 Previous Investment Programme

The cumulative progress of the Investment Programme from transfer to end March 2015 is shown in the Table 18.

Table 18 Investment Programme from Apr 2007 to March 2015

Element	Mid Argyll & Kintyre	Lorn and Isles	Lomond	Cowal and Bute	Argyll
Windows & Doors	1621	1298	1025	1640	5584
Kitchen & Bathrooms	2508	2264	1840	2608	9220
Heating & Rewire	1913	1463	1221	1750	6347
Roof & Roughcast	317	455	154	351	1277

Total Elements	6,359	5,480	4,240	6,349	22,428
Stock Numbers	1446	1272	992	1421	5131
Total Expenditure (ex VAT)	£21,979,000	£25,261,000	£19,989,000	£22,203,000	£89,432,000

3.6.2 Progress with Investment Programme 2015/16

The current investment programme is dominated by three main strands:

- External upgrade contracts to renew roof and roughcast, including external insulated render. A number of the contracts include owners and about 90 owners are signed up to common works or have made a commitment to the process.
- Common door and door entry installations in line with abeyance reduction strategy
- Internal condition upgrades

Table 19 shows the progress against the current programme. There are no current areas of concern regarding the delivery of the programme, except one Roof and Roughcast contract in Cowal and Bute that has been delayed by the administration of Stewart McNee Ltd. There are sufficient other contracts that will take up any slippage on this contract.

Table 19 Investment Programme at 30th June 2015

Elements	Annual Target Spend Total £	Annual Target No.s	Target Spend by June 15	Target No.s by June 15	Actual Spend by June 15 £	Actual no.s June 15	% Spend	% No.s
Windows and Doors	£1,486,000	771	£18,000	25	£16,488	20	92%	80%
Kitchen and Bathrooms	£390,000	90	£65,000	15	£66,732	16	103%	107%
Heating and Rewire	£657,000	145	£230,000	60	£264,986	60	115%	100%
Roof and Roughcast	£7,176,936	643	£1,370,000	161	£2,004,486	145	146%	90%
Refurbishment	£3,077,000	182	£15,000	12	£14,324	12	95%	100%
Total	£12,786,936	1831	£1,698,000	273	£2,367,016	253	139%	93%

3.6.3 Programme of Works from 1st April 2015 to 31st March 2045

The new future programme of works has been developed from standard compliance and elemental replacement cycles. Many of the target properties will require to be surveyed to confirm whether the condition information collated in 2011 is consistent with current priorities. Energy Efficiency modelling has offered a range of measures to bring property up to the EESSH. There are some straightforward upgrades available to us but there are many properties that are hard to treat or very expensive to treat and there will need to be a close analysis of the options. Roof

and roughcast upgrades to over 500 properties in the 2015-20 time periods are affected by being common parts and will require the participation of owners to proceed. Opportunities will be sought to undertake smaller repairs rather than full replacements, if it makes financial sense.

Table 20 sets out the short and long term target numbers for a range of elements. It should be noted that these figure will be refreshed by the next stock condition survey. Small repairs after 2020 are deemed to be included in the replacement or repair of the lead elements such as roof and roughcast.

Action - We will survey target major component replacements before proceeding with procurement.

Action - We will review energy modelling where costs are high, are inconsistent with neighbours, are hard to treat or require non-standard renewable upgrades. External consultancy will be commissioned where specialist advice is required.

Table 20 Target Elemental Replacement Programme 2015-2045

Element	2015-20	2021-25	2026-30	2031-35	2036-40	2041-45	Total 2015-45	After 2045
EXTERNAL CONDITION								
Foundation	2	0	0	0	0	0	2	
Roof	1064	310	693	856	1	815	3739	1392
Roughcast ¹	1687	521	470	870	24	1221	4793	336
Balustrading ²	4	0	0	0	0	0	4	
Chimney ²	28	0	0	0	0	0	28	
Flashing ²	30	0	0	0	0	0	30	
Gutters ²	272	0	0	0	0	0	272	
Path ²	40	0	0	0	0	0	40	
Door	569	172	413	224	1391	2312	5081	50
Window	966	0	1018	641	1507	949	5081	50
Common Door/Entry	680	0	309	301	138	130	1558	
INTERNAL CONDITION								
Bathroom	52	485	0	3365	1171	58	5131	
Kitchen	212	201	0	3625	1093	0	5131	
Heating ³	1655	440	914	2541	0	0	5550	
Rewire	389	0	257	644	1455	2386	5131	
ENERGY EFFICIENCY UPGRADES								
Dormer Insulation	38	0	0	0	0	0	38	
Room in Roof	11	0	0	0	0	0	11	

Floor Insulation	496	0	0	0	0	0	496
Loft Insulation	73	0	0	0	0	0	73
Cavity Wall	38	0	0	0	0	0	38
Possible Renewables	287	0	0	0	0	0	287
EESH Contingency	110	0	0	0	0	0	110
TOTAL	8703	2129	4074	13067	6780	7871	42624

Notes:

1. Roughcast includes external insulation upgrades
2. Small repairs are deemed to be included in the Roof and Roughcast elements post 2020.
2. Heating includes upgrades for energy efficiency purposes

3.7 Current Investment Programme Framework

A major procurement exercise was undertaken in compliance with the Public Procurement Directive to establish a framework for a range of works in the period April 2015 to March 2019. The package of works will be awarded on the basis of mini-tenders to the appropriate contractors, as they are required.

Table 21 listed the work packages, the relevant geographic area and framework contractors. It should be noted that since the Framework was established Stewart McNee Ltd went administration on July 2015 and will no longer be part of the framework.

Table 21 Framework Packages and Contractors

Energy Efficiency	Cowal & Bute	Lomond	Lorn and & Isles	Mid Argyll and Kintyre
A&R Hepburn Ltd	√	√		√
The Mark Group	√	√	√	√
Turner Facilities Management	√	√	√	√
Home Energy UK	√	√	√	√
MacLeod Construction	√		√	√
Stewart McNee (Dunoon) Ltd – removed	√	√	√	√

Heating & Rewire:	Cowal & Bute	Lomond	Lorn and & Isles	Mid Argyll and Kintyre
Kevan Brown	√	√	√	√
British Gas	√	√	√	√
BRB Ltd	√	√		√
Mears Ltd	√	√	√	√
CCG (Scotland) Ltd		√		√
MacLeod Construction	√		√	√
McTear Contracts Ltd	√	√	√	√
Stewart McNee (Dunoon) Ltd – removed	√	√	√	√

Joinery & Plumbing:	Cowal & Bute	Lomond	Lorn and & Isles	Mid Argyll and Kintyre
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Kevan Brown	√	√	√	√
Mears Ltd	√	√	√	√
CCG (Scotland) Ltd		√		√
Everwarm Ltd	√	√	√	√
MacLeod Construction	√		√	√
McTear Contracts Ltd	√	√	√	√
Stewart McNee (Dunoon) Ltd – removed	√	√	√	√

Roof and Roughcast	Cowal & Bute	Lomond	Lorn and Isles	Mid Argyll and Kintyre
CCG (Scotland) Ltd		√		√
Stewart & Shields Ltd	√	√	√	√
Volker Laser Ltd	√	√	√	√
Turner Facilities Management	√	√	√	√
SERS Energy Solutions	√	√	√	√
MITIE Property Services Ltd	√	√	√	√
AC Whyte Ltd	√	√	√	√
MacLeod Construction	√		√	√
Stewart McNee (Dunoon) Ltd – removed	√			

3.8 Sheltered Accommodation

The majority of the 201 sheltered units are one bedroom (176) with eight bedsits and twelve two bedroom properties. Four properties are three bedroom and these were former warden's houses. When the wardens became non-resident these properties were let as sheltered provision. The only mainstream lets in the sheltered accommodation are 21 Ford Spence Court, 18 Caledonia Court, 5 and 6 MacDougall Place.

Action - The popularity of the blocks will be reviewed to determine if any conversion or alterations might enhance their on-going popularity. The trend analysis will be carried out by Housing and Neighbourhood Services.

Action - The ancillary spaces, such as offices, guest rooms, communal rooms and laundries, will be surveyed in the life of the plan to develop long term planned maintenance programmes.

Action - The use of these spaces will be reviewed to ensure they meet the needs of the residents.

Details of the sheltered accommodation is summarised in Appendix 3.

3.9 Travelling Persons Site

There are three Travelling Persons Sites in Lorn, Mid Argyll and Dunoon and there are thirty pitches on these sites as shown in Table 22.

Table 22 Location of Travelling Person Pitches

TP Sites	No. of Pitches
Cowal	8
Mid Argyll	14
Lorn and Isles	8
Total	30

Each site has a central amenities block and all were upgraded at or near the time of stock transfer. The Scottish Government has introduced a standard for travelling person sites which must be met by March 2018.

Action - the sites will be surveyed to determine if they meet these requirements and an action plan developed

3.10 Related Assets

In addition to houses, we own a variety of related assets (or liabilities) and we implemented strategies for their improvement and repair. The Strategies were approved by the Scottish Government for funding through the Related Asset funding. The funding covered a variety of projects including the upgrade of related assets. The funding was for the amount of £11.25m and was drawn down by March 2015.

A summary of the allocation of the early action funding is in Appendix 7.

Action - we will prepare a planned programme of works to maintain these assets. Many of the components are in shared ownership and we will seek to involve owners that have maintenance liabilities in the long term maintenance.

3.10.1 Play Areas

We are responsible for the maintenance of 28 plays areas and will prepare and implement maintenance plans and review their long term contribution to communities when they require major renewal.

3.10.2 Garages

After a programme of demolition, sale and refurbishment, we own 18 garages. We will prepare and implement maintenance plans and review their long term economic benefit when they require major renewal in the future.

3.10.3 Private Water Supplies

We are, at least partly, responsible for the maintenance of 5 private water supplies which are mostly in shared use by other owners. We will prepare maintenance plans which we will review with our neighbouring owners with the view to sharing the long term upkeep.

3.10.4 Road and Footpath

We are responsible for the maintenance in whole or part for unadopted roads, unadopted footpaths (including one bridge), unadopted car parking and hardstandings, retaining walls and unadopted streetlighting. Many of these assets are shared with neighbouring owners, some of whom will have maintenance obligations.

Recent area measurements suggest they amount to 18,523 m² of unadopted roads and 66,620 m² of unadopted footpaths, 28,904 m² parking areas and 196 streetlights

We have been engaging in discussion with Argyll and Bute Council to seek their confirmation that our interpretation of the adopted lists is correct and therefore that our identification of unadopted areas is consistent with their view. We hope to bring these discussions to a conclusion in 2015/16

We will prepare maintenance plans for these areas and identify where these plans may need to be shared with other owners before implementation.

3.10.5 Private Sewage Systems

We have or share the responsibility for the maintenance of 38 septic tanks. The upgrade of these unadopted septic tanks is completing in 2015/16 and we have been engaging with owners to enter into maintenance agreements for the sharing of the cost of cleaning and maintaining in the longer term.

3.10.6 Garage Sites

We have 131 garage sites that are let to an individual who then erects a garage. Most of these sites and the associated garages were developed many years ago. All the garage sites were reviewed and the strategy ensured that leases were updated, charges reviewed and long term opportunities to redevelop for other purposes identified. The review of the garage sites led to the garages at Hood Court being cleared and the site redeveloped for twelve new homes.

3.11 Non Housing Stock

3.11.1 Offices – owned by ACHA

We own an office at 63/65 Chalmers Street, Ardrishaig which includes two offices, a meeting room, a small kitchen and toilet facilities. The office is located on the ground floor of a block of flats. The office currently accommodates 8 staff members.

Menzies House at Glenshelloch Business Park was built to our requirements and the property has been in use since the end December 2009. The office has a heating system, fire alarm system, fire extinguishers, showers, and an intruder alarm and these are included in the cyclical maintenance programme. The office accommodates 19 staff and 4 AHFA staff members.

Lamont House in Helensburgh became operational in July 2015. It was converted from three flats and two shop units to create an office for 25 staff members and 6 AHFA staff members.

There are three small offices at each of the travelling person sites which are used for occasional meetings with tenants on site. There are also offices within the sheltered housing complexes.

Action - The properties are in good to reasonable condition and will be surveyed on a five year cycle for condition and any investment requirements. Long term investment plans will be prepared.

3.11.2 Leased Property or Non Housing Uses

A small number of former residential units are used for other purposes.

8A and 8B Scalpay Terrace – rented to the Soroba Enterprise and Soroba Young Families Group. The lease, in summary, divides the responsibilities between the landlord and the tenants. The tenants are responsible for keeping the subjects in a neat and tidy condition and in good decorative order only. The Association is responsible for the building, its upkeep, maintenance and repair in good tenable condition. Responsibility for statutory compliance has not been passed to the tenant therefore the Association remains responsible for this, for example, compliance with disability discrimination legislation, fire regulations etc. Three months' notice is required to end the leases or if the building is materially damaged or destroyed the lease automatically falls.

No.s 13,14,15,16 Longhill Terrace were used by the Council as a community facility but the property came out of that use. The property used to be a 'four in a block' but there is limited demand in Rothesay for it to be converted back into that use. The Board agreed in August 2015 that the properties will be converted to provide offices in Bute .

Broom Cottage, Campbeltown was used as a location for the tenants and residents group. It is awaiting conversion back into residential use, subject to a cost plan analysis.

The properties we lease to other agencies for residential uses are:

The properties let to Argyll and Bute Council for non-residential purposes are:

- 21 Ford Spence Court, Ledaig – Social Work Respite Care and leased at residential equivalent since December 2001.
- 5 Columhill Terrace, Rothesay, Isle of Bute – Link Club – Mental Health Project Social Work and leased at residential equivalent since April 2004.
- 1 McCracken Court, Lochgilphead – sheltered accommodation office now leased to Carr Gomm as an office

ACHA leases 23 properties to Argyll & Bute Council for use as temporary homeless accommodation. The use of the properties is managed by Argyll & Bute Council, with ACHA providing normal landlord services, including a repair and maintenance service

Action - The non-housing stock and leased stock require to be reviewed and long term maintenance plans developed, where not included in the current investment programme

3.11.3. Disability Discrimination Act

Under the Disability Discrimination Act 1995 (DDA), all public and most private buildings used to provide services must make "reasonable adjustments" so that they are accessible to people with a disability or special need. To ensure this duty is discharged, it is essential to assess access and an access audit is an appropriate means to achieve this. The leases for the Council offices place this duty on the landlord.

In November 2013, reports on the compliance of the offices leased from Argyll and Bute Council were obtained. There were a range of actions identified in each report; some that were the responsibility of ACHA and some that required action by the landlord. Agreement was reached with

ABC in March 2015 on the appropriate measures and the responsible party.

We have the direct duty for ACHA owned offices and any properties leased for non- residential purposes that have access to members of the public.

Chalmers St, Ardrishaig
Menzies House, Oban
Lamont House, Helensburgh
Travelling person offices – 3
Sheltered housing offices - 10
6A and 8B Scalpay Terrace – 2

3.12 Land

The Estate Management Policy and Procedure were used to develop estate management action plans (EMAP). We set aside a small percentage of the re-active repairs budget for each area to carry out small project work in the community. Projects are identified by Staff, Residents, Tenants and Residents Associations and the Area Committees. Consultation with residents takes place if required and then proposals are taken to the Local Area Committee for approval. In 2014/15 the budget for EMAPs was £116,000 and the budget is held by AHFA as part of the response repairs contract and is instructed by ACHA.

Action – To allow greater flexibility in the EMAP process we will remove EMAP sum from the AHFA contract when the next contract is negotiated

13 Owners

We are only responsible for repairs and maintenance to our own property. However this also includes any common parts and common areas associated with the building. A common part for example would be defined as a roof or external wall. A common area may be a drying green or grassed area near or adjacent to the property.

The Right to Buy legislation has meant that more than 5,000 homes in Argyll and Bute have been sold over the last 30 years. In the case of tenement or flatted blocks the right to buy has significantly changed the ownership profile of the block. In some cases this now means that there are many flatted blocks and residential areas where ACHA does not have majority ownership and shares responsibility for maintenance with other owners.

A policy of early engagement is important to ensure that owners can appropriately make financial provision to meet their repair or maintenance obligations and also be involved in the safeguarding and maintenance of shared assets.

The Factoring Policy was approved May 2013 and is in line with the Property Factors (Scotland) Act 2011 and Code of Conduct which came into force on 1st October 2012.

At 31st March 2015, 228 owners had signed up to ACHA Factoring Service. Service users are involved in shaping the services provided and are invited to participate in annual performance reviews.

We are committed to offering a factoring service to property owners whose properties form part of a mixed tenure block or are located within the areas it manages in terms of common ground. ACHA is a Registered Property Factor with Registration No PF000302.

We recognise the benefit of providing an effective factoring service to property owners, which will ensure that properties and common areas are adequately maintained to encourage good relations within communities. The factoring service covers common property and common areas only and we do not carry out repairs to exclusive private property or ground. Exclusive property and ground remains the responsibility of the property owners who are required to make their own arrangements.

Funds may be available through the Argyll and Bute Council's Private Sector Housing Grant (PSHG) to support eligible owners to meet the cost of their share of roofing, roughcasting works or works to common parts. There is regular liaison between us and the Council to identify those properties where PSHG would be beneficial and where enforcement action by the Council possible. The properties affected by notices issued previously and currently - are listed below:

Previous notices:

5A-5F Columba Street, Helensburgh - 6 Properties

Soroba Phase 2 - 7 Blocks of 8 flats = 56 properties

8A-8H Colonsay Terrace

18A-18H Shuna Terrace

20A-20H Shuna Terrace

23A-23H Shuna Terrace

24A-24H Shuna Terrace
32A-32H McCaig Road
28A-28H McCaig Road
9 Argyll Terrace, Dunoon - 6 properties
57, 59-59D Lochnell Street - 6 properties
61-61E Lochnell Street - 6 properties

Current:

21 to 50 Maitland Court, Helensburgh – 30 properties
51 to 68 Maitland Court, Helensburgh – 18 properties
4 Glebe Terrace, Rothesay – 6 properties
52 Soroba Road, Oban – 6 properties

For Major Repairs to Common Parts, procedures have been developed to ensure that owners are properly informed and that their share of the costs can be identified and agreed.

For response repairs, owners are recharged when the works are undertaken and there are procedures for undertaking this work.

Registers Scotland has worked through the areas where ACHA acquired land at transfer and has issued land certificates that confirm their interpretation of landownership and common parts for almost all the relevant areas. The common rights and responsibilities of owners within estates have been mapped on the Geographical Information System as far as possible without complete title analysis.

4.0 CUSTOMER PROFILE – MEETING HOUSING NEEDS

4.1 Current Tenant Group

The Stock Condition Survey collected data about the tenants and a range of characteristics.

a. Household Characteristics:

- Average household size is 1.98 persons.
- Small households predominate. 2338 households (47.4%) contain one person with an additional 1295 households (26.2%) containing two persons. The housing stock houses a significant elderly population with elderly households (over 60) accounting for 33.7% of all tenant households and with 25.7% heads of household aged 65 years and over.
- Single person non-pensioner households represent the second largest household grouping at –22.8%

b. Economic Status of tenants:

Many of the households to whom we provide accommodation are in receipt of full or part benefit and this illustrates the economic status of our tenants, see Table 23.

Table 23 Percentage of Tenants in receipt of benefits

Year	2010/11	2011/12	2012/13	2013/14	2014/15	Average
Tenants on benefit full or partial	51.69%	51.88%	51.38%	58.88%	63.00%	55.37%

The number of our tenants on full or partial benefit has increased in the last 5 years by 20%.

ACHA has a mitigation strategy for dealing with Welfare Reform.

4.2 Future Tenant Group

4.2.1 Demographic Changes in Argyll

The 2014 population for Argyll & Bute is 87,660; a decrease of 0.4 per cent from 88,050 in 2013. The population of Argyll & Bute accounts for 1.6 per cent of the total population of Scotland. In Argyll & Bute, 14.9 per cent of the population are aged 16 to 29 years. This is smaller than Scotland where 18.3 per cent are aged 16 to 29 years. Persons aged 60 and over make up 31.4 per cent of Argyll & Bute. This is larger than Scotland where 24.0 per cent are aged 60 and over. Since 1988, Argyll & Bute's total population has fallen overall. Scotland's population has risen over this period.

By 2037, the population of Argyll & Bute is projected to be 75,183, a decrease of 13.5 per cent compared to the population in 2012. The population of Scotland is projected to increase by 8.8 per cent between 2012 and 2037. Over the 25 year period, the age group that is projected to increase the most in size in Argyll & Bute is the 75+ age group. This is the same as for Scotland as a whole. The population aged under 16 in Argyll & Bute is projected to decline by 18.3 per cent over the 25 year period.

The number of households has increased from 2012 to 2014 by 1%. The total number of households in Argyll & Bute is projected to change from 40,514 in 2012 to 38,001 in 2037, which is a decrease of 6 per cent. In Scotland as a whole, the projected number of households is set to increase by 17 per cent over the same 25 year period.

Action – Add to risk register and review changes as they impact on demand for stock

4.2.2 HOME Argyll

HOME Argyll (Housing Options Made Easy) is a partnership with ACHA, Dunbritton Housing Association, Fyne Homes, West Highland Housing Association and Argyll & Bute Council. Its aim is to make it easier for people to find housing in the Argyll & Bute Area and to provide good, clear housing information and advice. HOME Argyll was the first to establish a Common Allocations Policy in Scotland.

To co-incide with the updated HOME Argyll Policy going live in October 2014 a new IT software system was introduced which enables applicants to apply for housing on-line. Applicants are also asked to complete a Housing Options questionnaire. This is a tool that asks the applicant a series of questions and then guides applicants through the different housing options available to them, based on their personal circumstances.

Home Argyll gives very good information on the housing needs within Argyll and Bute. At 31st March 2015, there were 2726 applicants on the housing list. This compares with the March 2009 figures of 4939 and the number of applicants has decreased by 45%. The waiting list was reviewed 2014/15 and it is normal that the waiting lists drop at this point as the non-active applicants fail to register or non-returns.

The detail of housing demand by area in July 2015 is in Appendix 8

4.2.3 Disability

Voluntary information is obtained from the HOME Argyll Application form relating to disability. However, this does not include learning disability. It should also be noted that applicants may have ticked this box and not necessarily be registered disabled.

4.2.4 Lettings

During 2014/15, we let 466 existing units and 50 new units and Table 24 shows previous lets. Of the properties that were 135 let to Statutory Homeless Applicants.

Table 24 Number of Lets

Year	Lets to Existing Properties	Lets to New Properties
2008/09	416	50
2009/10	471	40
2010/11	423	26
2011/12	527	10
2012/13	541	0
2013/14	489	71
2014/15	466	50

4.2.5 Low Demand

Low Demand properties figures vary week to week as turnover varies and offers of tenancies are accepted or declined.

Low demand properties can be void or tenanted and to define a low demand property, each property is considered individually but similar traits may lead to many properties in one area being classified. Comparison is made within letting areas, as defined by the Home Argyll application system.

Using the Scottish Housing Regulator's definition a property is Low Demand if it shows at least one of these symptoms:

- A small or non-existent waiting list for the property in comparison to other properties in the same area.
- Any property that has three offers refused for non-personal reasons before it is let is Low Demand.
- A turnover exceeding the average rate for the letting area *plus three* in a year. For example if the average for properties in an area is 1 let a year then any property in the area with an annual turnover of 4 or more is Low Demand.

Over the last two years there has been deterioration in performance in relation to rent loss through voids cumulating in a void rental loss of almost £600,000 for 2013/14. This void loss figure includes garages, travelling person sites and residential properties.

Void re-let times have also been negatively impacted with non-low demand properties taking an average of 27 days to re-let and low demand properties taking 162 days to re-let.

There were 286 properties defined as low demand and 120 properties were un-let at 31st March 2015.

There are three main categories of voids which require action outwith the routine processes by which the majority of our properties are re-let:

- Properties requiring significant work- owners involved
- Properties requiring significant work- adjacent tenanted properties affected (no owner involvement)
- Properties for which there is low or no demand.

Bute and Kintyre are the predominant areas of low demand in ACHA's stock. At both these locations there are properties with no demand. Tenement flats are particularly hard to let. We have introduced Incentives Schemes to offer tenants cash back after a period of occupation, the opportunity to have white good purchased or carpets fitted. The cashback and carpets scheme have been taken up by ingoing tenants, however the white goods scheme has not been taken up. This may be because tenants are able to access other grant funding for those items.

Action - We are developing an analysis method to determine whether we should invest in property any significant sums, in particular if this investment will not see the property let or simply displace the void property.

Action - We will review our stock in areas of low demand and high levels of void and consider whether we need to rationalise the stock. The analysis will include determining current and future demand factors, current and future condition, past economic performance and wider socio-economic factors. The review will be lead to the development of an action plan

The results of such a study may determine the future choices for stock, such as:

- Investment for condition issues
- Conversion for residential or non-residential purposes
- Disposals
- Demolition
- Rationalisation of ownership by increasing proportion of 'ACHA only' owned blocks and consequent exiting blocks where our ownership is in the minority.

4.2.6 Housing Need Indicator

Argyll and Bute Council are undertaking an exercise to assess housing needs pressure by housing area and this is will be reviewed when available and will inform the response to housing demand. A Housing Needs ratio of 6:1 or over is above the Scottish average and is an indicator that new supply should be targeted at that area.

Action – We will target our developments at a range of geographic locations and areas those that have the higher housing need indicators.

5.0 DEVELOPMENT PLAN – NEW PROVISION

5.1 Introduction

The Association's new build strategy and development plans are presented annually to the Board and included within the Strategic Housing Investment Plan (SHIP) which is submitted each year to the Scottish Government by the Council. Since July 2008, Argyll and Bute Council formed a Strategic Housing Investment Plan Development Group, ACHA has been an active member and the SHIP was developed by this group. The SHIP includes all the local RSLs' development proposals. This ensures that ACHA is able to develop in line with local priorities. ACHA also meets the Council's lead officer on a regular basis to discuss the development plans and agree housing mix and design issues on proposed sites considering housing demand and Argyll and Bute Council's Local Housing Strategy.

Priorities and targets require to be regularly reviewed as the new build and investment programme develops to take account of changes in local demand, the effect of housing association development and available funding. Additional development opportunities continue to be made available to ACHA on a regular basis. Factors other than housing

demand also require to be considered in prioritising projects as there is a need to strengthen communities, to meet strategic objectives and work in partnership with Argyll and Bute Council and other key agencies. ACHA are fully aware of the need to ensure that resources are targeted in areas of high housing demand but are also aware of the need to balance these competing pressures.

The annual development update report focuses on the status of the new build projects contained within the current Housing Association Grant (HAG) approved programme and for projects in future years the development programme is informed by the SHIP. The report contains analysis from Housing & Neighbourhood Services on housing demand and current stock details in each location and whether they are supportive of the proposed development. An example of a Housing Needs Assessment is in Appendix 9.

Although there are limits on future Housing Association Grant and the private finance the Association has available. There may be opportunities for some projects to be brought forward due to potential accelerated funding, Argyll and Bute Council's Rural Development Fund or programme slippage. It is therefore important that the Association has a number of shadow projects available for delivery should the opportunity arise that can be fast tracked.

The HAG allocation for the current financial year, 2015/16, and indicatively for future years is confirmed by Scottish Government further to the annual programme meeting. A degree of uncertainty is inherent when forward planning is taking place due to the Government system in which all Associations operate.

5.2 New Build Objectives

ACHA has a stated objective to provide housing that meets housing need at an affordable cost now and in the future in Argyll and Bute mainly through the provision of rented accommodation. Other tenures such as shared-equity (LIFT) or mid-market rent (MMR) may also be considered, particularly if cross subsidy through a mix of tenures assists with project viability. It will only be considered where it is financially prudent to do so.

ACHA is committed to working to meet housing need by ensuring its existing housing stock is maintained and developed to maximise benefits to tenants and applicants and by seeking to provide opportunities to respond to the need for new homes. For this purpose the regeneration programme, initially concentrated on the re-development of the void

properties identified in the Business Plan for demolition and re-development and the buildings identified for renovation in Campbeltown, Inveraray and Oban. The programme then included new projects being completed in the following years in Garelochhead, Ardrishaig, Bowmore, Dalmally, Port Ellen, Bonawe, Tarbert, Helensburgh, Connel and Oban.

Land that is viable for development can be difficult to access at an affordable cost and in particular at a level to meet the current funding benchmarks introduced by the Scottish Government. There are various opportunities available to ACHA to purchase sites for land banking and working directly with local developers to meet the planning requirement for affordable housing provision within their developments.

Argyll & Bute Council (ABC) have established a 'strategic housing fund & land bank' and ACHA continue to work in close co-operation with the Council and the Scottish Government to apply for funding and land where projects either require the additional funding for viability or where land is located to meet local demand. The strategic housing fund currently will provide up to £25,000 of additional funding per unit to assist projects meet funding benchmarks and be delivered. Without this fund being available it is likely that the number of units delivered in previous years and going forward would be greatly reduced.

As a major land owner, ACHA undertook an audit of all of its land to assess whether there were any development opportunities within its existing estates. The Land Audit was collated in December 2007 and from this work ACHA decided to proceed with feasibility studies on five of these possible developments sites. Three of those sites have been completed developments at Scott Terrace, Dalmally (8 units), Church Way, Port Ellen (8 units) and mostly recently Duchess Court, Helensburgh (12 units). The fourth of these sites at Victoria Park, Dunoon, is proposed to be tendered during 2015/16 and the fifth site at Longhill Crescent in Bute is not currently being progressed due to low housing demand on the island.

Action – we will consider if there are further opportunities within the land portfolio and the development potential of these will be considered.

Each project is financially assessed by Scottish Government in comparison with their funding benchmarks. ACHA also assess the viability of projects by assessing them through the Business Plan model.

5.3 Strategic Housing Investment Plan 2015-18

Argyll and Bute Council look at the priority of projects supported through the SHIP process and criteria such as housing need ratio, regeneration priority, land ownership, planning stage and project funding stage are taken into account of when prioritising projects.

The Scottish Government and the local authority recognize that securing optimal outcomes from the programme requires long-term planning and the current SHIP is based on a three year timeframe for project completions to end of March 2018. To achieve this, a high proportion of developments need to be initiated during 2015 or before especially where projects are complex and require long lead times.

In September 2013, the Scottish Government confirmed what the minimum Resource Planning Assumptions (RPA) for this authority were for the period from 2015/16 to 2019/20.

Table 25 shows the projected annual breakdown of this funding which effectively reduces by 54% over the five year period. This however is always under review and subject to change as Government budgets are confirmed each year.

TABLE 25 SHIP Resource Planning Assumptions 2015-2020

	2015/16	2016/17	2017/18	2018/19	2019/20	Totals
RPA	£7.246m	£6.216m	£4.976m	£3.317m	£3.317m	£25.072m

The figures are for all of Argyll and Bute and support the development of all the local Registered Social Landlords

Therefore, assuming the target remains which is reviewed annually a minimum of 110 units per annum could be delivered within the provisional RPA of £18.438m for the initial three-year planning period 2015/16 to 2017/18. The Council drew up a programme of projects within the SHIP based on this allocation and several sites were allocated to ACHA to progress.

5.4 Collaborative Working

The Scottish Government consulted on a range of proposals related to Investment Reform and one of the key proposals was Lead Developers for large regions. The lack of support from the sector and the challenging economic climate has meant the Government has dropped these proposals. ACHA also previously engaged in discussion with the other local Registered Social Landlords (Dunbritton HA, Fyne Homes & West Highland HA) to explore the options of a subsidiary 'Development

Company'. This again was never progressed and West Highland has chosen to become part of the Link Group.

However a joint development did take place with Dunbritton HA at Lochgoilhead further to a land excambion being agreed.

Action - We will continue to explore collaborative working arrangements where these are beneficial to the development programme and the Association.

5.5 Development Projects in the SHIP Programme 2015-18

The development projects listed below are included in the Strategic Local Programme for 2015-18. The Gross Planning Target indicating the specific grant allocation for 2015/16 has yet to be received at end of July 2015.

5.5.1 Existing Projects On-site

a. Sealladh Na Mara, Bowmore (20 units)

The site was acquired from Islay Estates and forms part of their masterplan for a large area of development ground to the west of Bowmore which is identified for various uses. The project was completed at end of July 2015. The project comprises 10 one bed flats and 10 two bed flats. The project was competitively tendered and awarded to MacLeod Construction Ltd., of Lochgilphead. The site was acquired for one pound with the Estate benefitting from the services and infrastructure provision that will provide a gateway into the larger development area.

b. Tower View, Inveraray (12 units)

The site was acquired from Argyll Estates and again forms part of a larger masterplan for the town. The project was due for completion in August 2015 and will comprise 4 one bed flats, 4 two bed flats and 4 three bed houses. The contract was awarded to Stewart McNee Ltd., of Dunoon after competitive tender but the contractor went into administration on 23rd July 2015 and a completion contract is being tendered

5.5.2 New Projects

a. Sealladh Na Mara, Bowmore Phase 2 (10 units)

A further phase of the development has received planning permission for 10 units comprising 4 two bed house, 4 three bed houses and 2 four bed houses. The site has been acquired and a design and build contract has been negotiated with the contractor currently onsite. This phase commenced on site in September 2015 and has a contract period of 14 months.

b. St Orans Place, Connel Phase 2 (10 units)

A further phase of the development has received planning permission for 10 units comprising 4 two bed house, 4 three bed houses and 2 four bed houses. The site has been acquired and a design and build contract awarded to MacLeod Construction. The project is on site. .

c. Tayvallich (2 units)

The site has been acquired and a design and build contract awarded to MacLeod Construction for 2 three bed houses. The project is on site.

d. Glenshellach, Oban (17 units)

A further phase of the development at Catalina Avenue and the Pond site is proposed to include 17 units comprising 8 one bed assisted living cottage flats, 2 two bed house, 4 three bed houses and 4 four bed houses. The site has been acquired and a design and build contract awarded to MacLeod Construction. The project is on site.

e. Victoria Park, Dunoon (5 units)

The site is owned by ACHA and feasibility work previously carried out to obtain planning consent. The project is programmed to be tendered in 2015/16 and proposed to include 5 three bed houses.

f. Coll (2 units)

The Association have been working with local community group Development Coll for some time and have identified a number of site opportunities that maybe deliverable. Feasibility work is proposed to commence in 2015/16 to identify the site for 2 three bed houses.

g. Tiree (6-10 units)

The Council are promoting the redesign of adult care services on the island and the reprovisioning of care at Tigh Rhuda/ Eventide Home. Meetings have been held with Council, the NHS and Curam (a local community group) to explore options and an option appraisal study is being carried out during 2015 to appraise two site options. This could include the remodelling of the existing ACHA houses at Tigh Rhuda or a new development site adjacent to the existing doctor's house. However the project was not in the capital programmes of our partners at the end of August 2015 and this undermines the likelihood that any development will proceed in the 2015-18 programme.

h. Jutland Court, Helensburgh (16 units)

The Association had previously been working with Taylor Wimpey on a site at Geilston Farm in Cardross but this has been removed from the local plan. In its place, we are progressing an alternative opportunity to redevelop Jutland Court in Helensburgh in collaboration with the site owner and a local developer. Pre-application discussions are underway with the planning authority and it is planned that completion will take place before end March 2018.

i. Carradale (2 units)

The Association are considering suitable sites and the local demand.

5.6 Other Development Opportunities

ACHA have identified a wide range of other development opportunities throughout Argyll and Bute and these will be assessed through the SHIP process should slippage or funding become available through the programme.

Appendix 10 provides a Development Project List.

5.7 New Build Development Funding

The development funding package comprises three key elements, Housing Association Grant, Council Strategic Housing Fund and ACHA private finance. ACHA is supported by Housing Association Grant to build new housing for affordable rent and other tenures. Ultimately the Scottish Government decide on the level of support available for this each year within their budgetary process and the benchmarks applied to

individual developments. The Council Strategic Housing Fund also provides support of up to £25,000 per unit to assist projects meet the current Government benchmarks and is critical to the ability of projects to meet Government benchmarks.

The Housing Association Grant calculation identifies the amount of private finance borrowing required to support new housing developments. The developments are profiled in the 30 year business plan to assess their impact on the long term viability of the Association. ACHA has a facility agreed with the Lloyds Group to support the current development programme and has recently put in place an additional facility of £10m covering the period 2018-2022. There is also consent within the new loan agreement that we can borrow up to a further £3m from other lenders. This is addition to the £3m we borrowed from Argyll and Bute Council in previous years.

In previous years, we have front funded new developments to support the acceleration of projects. The use of front funding, where appropriate, will allow ACHA to be well placed to attract any additional resources available through the Argyll and Bute Council Strategic Housing Fund and the Scottish Government.

5.8 New Build Customer Satisfaction

A standard survey form for new Tenants of new build housing developments was consulted on with Housing and Neighbourhood Services and the Tenants' Panel.

Action - All tenants in new developments will be surveyed further to completion of the defects liability period and a report on each project produced with recommendations in accordance with the New Build Handover Procedures.

6.0 PROCUREMENT STRATEGY

6.1 Procurement principles

Our policy is to procure goods and services in an effective manner and to seek value for money. The Building Works Procurement Policy addresses the specific issues related to building contracts and related services.

We aim to:

- To procure goods and services of the right quality, at the right time and at the lowest overall cost.
- To ensure compliance with statutory and EU provisions and demonstrate best practice in purchasing.
- To ensure that adequate quality control mechanisms are in place.

We conduct our business dealings according to the following general principles:

- award contracts and orders, based on sound commercial reasoning and current policies, uninfluenced by any motivation of personal gain or favour
- comply with laws relating to the purchase of goods and the provision of services
- adhere to the obligations in purchase contracts
- reject any business practice that might be deemed improper
- do not accept offers from suppliers to the Association to provide goods or services at reduced prices to staff in their personal capacity

The underlying principles of the procurement policy are as follows:

- The Public Procurement Directive and Procurement Policy will be observed for all suitable work packages
- E-procurement will be used for the advertising and tendering of all projects through the Scottish Procurement Portal
- The Approved Contractor and Consultant list will be reviewed regularly
- Work packages will be developed that will suit large scale elemental replacement
- Work packages will be tendered with consideration of geographically specific areas.
- Prospective tenderers will be invited to offer to tender for as many or as few geographic packages and work types as they wish.
- Work packages will be developed to offer up to 4 years continuity of work, where feasible
- Appropriate standard forms of contract will be used for all work
- All contracts will have specified project officers, contract administrator, site supervision and the roles and responsibilities of each party will be formally specified.
- Board of Management will be included on the Contractor Selection Panels for major projects

6.2 Changes in Legislation

New legislation is being enacted in 2015/16:

- Procurement Reform Act (Scotland) 2014
- Public Procurement Directive 2014

Action - The Policy will be redrafted to meet the new legislation by December 2015.

6.3 External and Internal Consultancy

Appropriate consultancy appointments will be made to support the procurement process for all the new contracts. Careful consideration will be given to maximising in-house contract management and other consultancy. The requirements of the Public Procurement Directive and the Procurement Policies will be observed for all external appointments.

6.4 Standard Specifications

The Association has standard specifications to ensure that it incorporates quality materials as an integral part of its maintenance and improvements programmes. The key objectives are to; achieve maximum life expectancy; meet end user expectations; reduce maintenance costs; increase consistency; achieve standardisation of product; be innovative. To ensure continuous improvement each key specification, kitchens, bathrooms, central heating, rewiring will be regularly reviewed.

Action - For new build housing, an external consultant will be commissioned to review current best practice in new housing and develop a new design brief by December 2016

7.0 ASSET OPTION APPRAISALS

7.1 Appraisal Objectives

Most of the stock is likely to remain in good condition and in high demand, but ACHA needs to consider whether the stock is viable and sustainable and will remain so into the future.

All existing stock will be assessed to ensure that it remains viable and will be assessed annually against a sustainability matrix. Property that is flagged as being 'at risk' against this criteria will be referred to the

Director of I&R to consider what further analysis of the options for the stock and whether any stock requires significant intervention.

The methodology will include neighbourhood assessments and individual property assessments and is set out in Appendix 11.

Action – Develop assessment methodology and implement assessments.

8.0 ASSESSMENT OF COST OF ASSETS

8.1 Summary of Expenditure in 2015/16

8.1.1 Summary of Investment programmes to 31st March 2016

The summary of expenditure is based on a projection at the end of July 2015 to the end on March 2015. The costs include any related fees and value added tax.

£2.29m expenditure on response maintenance repairs and void repairs

£1.56m expenditure on cyclical maintenance

£12.79m expenditure planned elemental replacement

8.1.2 Summary of Regeneration Programme to 31st March 2016

£6.44 expenditure on new housing units

£0.35 on completion of committed related asset contracts

8.1.3 Projected Expenditure in period 2015/16 to 2019/20

The projected expenditure is shown in Table 26. All the costs are at today's costs and have not been inflated. The costs include any related fees and value added tax

Table 26 – Projected Expenditure between 2015-2020

ACTIVITY	2015/16 £'ms	2016/17 £'ms	2017/18 £'ms	2018/19 £'ms	2019/20 £'ms	TOTAL £'ms
Response and Void Repairs ¹	2.29	2.29	2.29	2.29	2.29	11.45
Cyclical Maintenance	1.56	1.56	1.56	1.56	1.56	7.8
Elemental Replacement ²	12.79	9.25	9.25	9.25	7.11	47.65
New Build	6.44	5.10	1.3	4.8	4.8	22.44
Related Assets	0.35	0.05	0.05	0.05	0.05	0.55
Total	23.43	18.25	14.45	17.95	15.81	89.89

Notes

1. Includes general repairs, special projects, recharges

2. The cost of the I&R department are included in the Business Plan but only the works, fees and VAT are included in the above table.

All the budgets will be subject to annual review but the five year projections have been based on the following assumptions:

It is assumed that the response repairs and cyclical repairs budgets will remain static in real terms. The RPI rate is assumed at 2.5% across the life of the business plan. Elemental Replacement expenditure is based

the current business plan assumptions and will be reviewed as the real cost of delivering EESSH is clearer.

New Build expenditure is based on the 2015-18 programme and then an assumption for the years 2018-2020.

The Related Asset expenditure is based on a nominal investment in related assets after 2015/16 when the Early Action Funding is complete. The budget for 2016/17 to 2019/20 has been deducted from the elemental replacement budget.

Action point – we will review the longer term investment in line with the recent business plan agreements with our lender.

9.0 FUNDING

9.1 Funding Availability and Sources

The main sources of funds to support the asset management plan is the rent received, the business plan support grant from Scottish Government, private lending from Lloyds Banking and other grants. The cost of the investment profile has been modelled in the 30 year Business Plan against the available budget.

9.1.1 Rent

We gave a rent guarantee to its tenants of annual rental increases of not more than RPI+1% for the first five years of the transfer to November 2011. We aim to limit rent increases annually within RPI+1% for a further five years after the initial guarantee period. The Business Plan assumes RPI+1% until year 30.

The Rent increases since stock transfer are noted on Table 27.

Table 27 Rent increases per annum

Year	Percentage Rent Rise
2007/08	4.9%
2008/09	5.0%
2009/10	3.4%
2010/11	5.8%
2011/12	5.8%
2012/13	4.8%
2013/14	4.4%
2014/15	2.6%

ACHA is committed to the principles of open and transparent consultation with tenants where rental increases are proposed, as required under the Housing (Scotland) Act 2001. ACHA does not

subscribe to the cross-subsidisation of other services from general rents and therefore has introduced service charges to cover the costs of providing sheltered housing and for new housing developments.

The annual rental income is estimated at £19.2m in 2015/16.

9.1.2 Rent Harmonisation

Rent harmonisation and restructure was agreed by the Board in June 2015. We inherited a range of different rent levels and no clear rent structure in 2006. In the period since stock transfer considerable investment has been made to bring the housing stock in line with the Scottish Housing Quality Standard. In a sense this has harmonised the quality of the housing stock but not the rent levels.

When compared to other social landlords our rents are in the lowest quartile of all Registered Social Landlord (RSL) rents and also in the lowest quartile for the rents of RSLs with more than 2,500 houses. The rents are second lowest of the 6 ex council large scale voluntary transfers (LSVT). There is scope to increase rents from a comparability viewpoint.

Average earnings in Argyll and Bute are lower than the average for Scotland so this mitigates increasing rents from a tenant affordability perspective.

An increase of 4.8% would bring the relationship between ACHA rents and Argyll and Bute earnings in line with rents for RSLs with more than 2,500 houses and average earnings for Scotland as a whole. This suggests rents would remain affordable to tenants.

With a 4.8% increase ACHA rents would still be in the second lowest quartile of all RSL rents and the rents of RSLs with more than 2,500 houses. This suggests ACHA rents will still be compare favourably to other providers.

The additional income arising from a 4.8% would be in the order of £900k per annum. This would provide a source of additional income that could be used for the various issues

- Reduce/eliminate refinancing risk
- Funding for EESSH
- Support corporate objectives
- Support improvement in tenant satisfaction
- Provide for contingency against negative business plan sensitivities.

The Rent Harmonisation proposal was the subject to tenant consultation which concluded on 31st August 2015 and the Board decided to implement the proposal at their September 2015 meeting.

9.1.3 Scottish Government Grant Support

A transfer subsidy was made available to us by the Scottish Government through the former Communities Scotland Community Ownership Programme to a value of £68 million. We are now in the last two years of subsidy and the stage payments made are in Table 28.

Table 28 Transfer Grant Support

Business Plan Year	Cash (£'000)
2006/07	1,200
2007/08	2,000
2008/09	2,000
2009/110	9,000
2011/12	9,000
2012/13	9,000
2013/14	9,000
2014/15	9,000
2015/16	8,900
2016/17	8,900
Total	68,000

9.1.4 Private Finance

ACHA has the following loan facilities in place:

- Argyll and Bute Council - Loan facility of £3.000m which is fully drawn. These loans are on an annuity/capital and interest repayment basis with the final repayments taking place in 2038-39.
- Lloyds Banking Group – Total loan facility of £59.750m of which £35.000m has been drawn leaving a balance of £24.750m available to drawdown. Of this facility £10.000m is available to support new development and is due for repayment in 2025-26 with the remainder of £49.750m due for repayment no later than 21 November 2036.

- In addition ACHA has been able to agree with Lloyds Banking Group that borrowing of up to a further £3.000m can be taken from other lenders.
- In total ACHA has access to funds of £27.750m of which £14.750m is available for existing stock and £13.000m is available for new developments.

9.1.5 New Build Development

a. Housing Association Grant

ACHA is supported by Housing Association Grant to build new house for affordable rent and shared equity houses. It is estimated that £3.4m will be available to support new build projects in 2015/16.

b. Private Finance

The Scottish Government Grant calculation identifies the amount of private borrowing required to support new housing developments. The developments are profiled in the 30 year business plan to assess their impact on the long term viability of the Association.

9.1.6 External Grants

There are a range of external grants that are available to ACHA for asset management purposes such as:

Scottish Government 'Stage Three' grants to support the adaptation of properties to meet tenant mobility or health problems. An average of approximately £240,000 has been available annually in the last 5 years.

Energy Efficiency grants can be attracted from the utility companies, the National and Scottish government and a range of other agencies for energy efficiency improvements or the installation of renewable energy products. All these sources of funding seem likely to reduce as the current Westminster government have indicated that they will be reducing subsidies in this area.

9.2 Business Plan Assumptions

9.2.1 Right to Buy (RTB) Sales

In the period 2010/11 to 2014/15, the RTB sales were as set out in the Table 29.

Table 29 Right to Buy Sales

Year	2010/11	2011/12	2012/13	2013/14	2014/15
RTB Sales	24	22	22	25	35

The constraints on Right to Buy increased with the introduction of the Pressured Area Designation in January 2012. It suspended right to buy in all areas, except Kintyre and Bute, for tenants on the modernised right to buy. Tenants with the preserved right to buy were unaffected.

The right to buy will end in Scotland on 1st August 2016 and therefore projections in the current business plan are 22 for 2015-16 and 20 for 2016-17.

10. LAND DISPOSAL STRATEGY

10.1 Land Disposal Strategy

As a land owner, ACHA is approached at times with proposals to buy land and there is a Land Disposal Strategy to handle these approaches. ACHA's first principle is to retain land, not dispose of it, and that the provision of housing will be the highest priority. The strategy ensures that the 'Disposal Clawback Agreement' that was agreed with the Scottish Government at the time of transfer is adhered to.

There are occasions when land can be released and the Disposal Strategy contains an assessment procedure and the conditions that apply. Since 2010, ACHA have received numerous such requests but for varying reasons these do not always proceed to a disposal. During this period the Board approved and final disposal took place of assets for 9 areas; one is a lease, one is an excambion (for which Section 66 consent was obtained), two are wayleaves and five are sales. The sale value of these approvals was a total of £14,400 and none of the sales were over the clawback level in the Transfer Agreement (currently indexed at £6,450 from £5,000 in November 2006), except the excambion for which specific approval was received from Scottish Government to do so. Details of disposals in the last 5 years are shown in Table 30.

Table 30 Disposal in last five years

Address	Type of Disposal	Value	Reasons
Garage at 1A Upland Road, Garelochhead	Sale of garage	£1,500	
Land at Aros, Kilcreggan	Sale of wayleave/ right of access	£1,000	Remedial title error
Garage at Camus Road, Dunbeg	Sale of garage base	£1,500	
Land at Dalrigh, Oban	Sale of small area of waste ground	£500	Access improvement
Garage at Hazeldean Crescent, Oban	Sale of garage base	£600	
Land at Kilmichael Glassary	Lease of ground	nil	To community group for play area
Land at Jubilee Terrace, Lochgilphead	Excambion agreement	nil	Land received at Heatherbank, Cairnbaan
Land at Maitland Court, Helensburgh	Sale of wayleave	£3,000	To Scottish Power for electricity cable
Land at Crossapol, Tiree	Sale of ground	£6,300	To Scottish Water for treatment works

11.0 KEY STRATEGIES/POLICIES

11.1 Relevant Policies and Strategies

Asset Management is supported and delivered through a range of policies, strategies and procedures as follows:

- Allocations Policy – HOMEArgyll
- Allotment Policy
- Repairs and Maintenance Policy
- Tenant Involvement Strategy
- Estate Management Policy
- Gypsy Travellers' Strategy 2012 – 2015
- Void Management Policy
- Low Demand Strategy
- Factoring Policy
- CCTV Policy
- Equal Opportunities - Dignity at Work Policy
- Group Disclosure Scotland Checks and the Protecting Vulnerable Groups (PVG) Scheme
- Customer Care Charter
- Group Equal Opportunities Policy
- Complaints Handling Procedure
- Compensation & Redress Procedure
- Procurement Policy
- Building Works Procurement Policy
- Heating Policy
- Land Disposal Strategy
- Design Guide
- No Access Policy
- Asbestos Management Policy
- Accessible Housing Policy
- Gas Safety Policy
- Legionella Policy
- Septic Tank Maintenance & Repair Policy
- Investment and Regeneration Procedures
- Energy Efficiency and Fuel Poverty;
- Stock Condition Survey;

Action - A continuing programme of development and review of policies will be required.

12.0 RISK MANAGEMENT

12.1 Risk Register

A Risk Register has been developed focused on the key risks that arise from the Asset Management Strategy and is in Appendix 12.

Action – The Risk Register will be reviewed annually

12.2 Health and Safety

In carrying out its maintenance responsibilities, ACHA will ensure that it complies with the Health & Safety at Work etc. Act 1974 and with all supporting legislation and statutory regulations etc.

In particular it will ensure that it complies with the following:

- the Management of Health and Safety at Work Regulations 1999
- the Control of Substances Hazardous to Health Regulations 2002
- the Approved Code of Practice, Control of Legionella Bacteria in Water Systems
- Electricity at Work Regulations 1989
- Gas Safety (Installation and Use) Regulations 1998
- Control of Asbestos Regulations 2012
- HSG264 Asbestos: The Survey Guide
- EM1 Asbestos Essentials
- RR783 Evaluation of the Duty to Manage Asbestos
- The Construction (Design and Management) Regulations 2015
- Construction (Health, Safety and Welfare) Regulations 1996
- Lift Regulations

13.0 BENCHMARKING and EFFICIENCIES

13.1 Benchmarking

Benchmarking has been developed to assess performance against peers in respect of the costs, including new build, planned maintenance and response repairs. We use the published Scottish Housing Charter performance indicators and are members of Scottish Housing Best Value Network.

13.2 Efficiencies

ACHA will explore a range of potential efficiencies in Asset Management and Procurement:

- Secure grant funding which can either reduce costs and/or provide an enhanced service, such energy efficiency grants.
- Package work to ensure a range of construction partners is interested in working for ACHA including local construction firms and major national companies.
- Work with AHFA, the repairs subsidiary, to secure efficient and cost effective service.
- Ensure all construction or maintenance related works contracts are tendered in accordance with the procurement policy and where applicable EU Procurement Regulations;
- Ensure construction related contracts are of the national standard, such as JCT, rather than bespoke formats which introduce risk to contractors.
- Ensure planned replacements are included in the investment programme and to the agreed standard and avoid unnecessary repairs to elements in the planned programme.
- Where possible, have agreed preferred construction products with all construction partners. This limits the variation of products being used and hence a more economical supply chain and more efficient repairs and replacement service;
- Engage in any discussions with other local RSLs to explore various forms of partnership working;

14.0 OPERATIONAL

14.1 Organisational arrangements for asset management

ACHA has extensive procedures that set out the operational arrangements for all the key areas of activity, for example Quality Control for the Investment Programme and the Gas Servicing Procedures.

14.2 Staff Resources

ACHA have a range of technical staff in Investment & Regeneration department (I&R) and staff transferred from the area office property services team.

I&R have 27 staff members engaged in the delivery of investment, repairs and regeneration projects. The restructure of the Housing and Neighbourhood Services department (HANS) has led to the transfer of property services staff to I&R in October 2015.

The staff team are as follows:

Investment Manager

- i. Investment – manages the elemental replacement programme
Senior Investment Officer
Two Investment Officers
- ii. Planned Maintenance (or Cyclical) – manages all cyclical contracts and supports replacement programme
Senior Planned Investment Officer
One Investment Officer
- iii. Reactive Repairs – manages the response repairs contract and void repairs
Two local managers
Seven repairs officers

Regeneration Manager

- iv. Regeneration – delivers new build programme
Half Senior Regeneration Officer
- v. In-house Consultancy – delivers design, quantity surveying and cdm services to the investment programme
Two and a half Senior Regeneration Officers
Two Investment Officers
One part-time GIS Officer (also supports RTB and Factoring)

This I&R team is supported by four administrative staff and two repairs administrators

14.3 External/Internal Consultants

It was decided to develop the staff team to start to bring certain tasks in-house that had previously been undertaken by external consultants. Staff members with professional qualifications were employed and some existing staff had additional training. In 2012, contracts started to migrate in-house as external commissions ended. There has been a significant saving in VAT, greater control and consistency of approach.

a. Investment

90% of all elemental replacement programmes – architectural, quantity surveying and CDM role are provided in-house.

A few previous commissions undertaken by external consultants will complete in 2015/16.

Any engineering services are provided by external consultants.

b. Planned Maintenance

Most tasks are undertaken in-house with occasional specialist services, such as gas audits and legionella audits.

c. Regeneration

Full design teams are commissioned to design and construct the new build programme. The teams generally include architect, quantity surveyor, engineer and cdm co-ordinator.

d. Related Assets

All consultancy services provided in-house, except specialist engineering services which are provided externally.

14.4 IT resources

IT is essential to hold and analyse the significant asset management data that exists in ACHA. The main IT resources that contribute to asset management and the areas for development are listed below:

- Capita housing management system; the system holds the property records, tenant records, rental management, response repairs management and asbestos records.
- Phoenix - Project expenditure database
- Investment programme monitoring database.
- Stock condition database has the results of the 100% stock condition survey and is updated annually with the elemental completions. The base data was collected in 2009 and 2011 and although updated, it requires to be refreshed by another independent survey.
- A geographic information system holds data linked to geographic location. The information includes title information of ACHA's ownership, neighbouring owners land ownership, ground maintenance plans including risk assessment data from tree

surveys, and related asset information on the ownership and location of roads and footpaths etc. The system is available on a view basis to all staff to assist with asset management.

- Specification, CAD design and tender billing systems are used to design and tender works in-house.

Action - The development of tablet technology for data capture and the reduction of double handling of data is planned

Action - Alternative Asset Management Systems need to be reviewed to assist with replacing it with a more sophisticated system.

15.0 TENANT INVOLVEMENT STRATEGY

15.1 Consultation regime

The Tenant Involvement Strategy was approved December 2012 and the mission statement of the strategy is as follows. A revised version is under consultation in 2015/16 and the customer involvement strategy and the communication strategy.

Tenant Involvement - Mission Statement

The strategy is aimed at anyone with an interest in tenant participation in Argyll and Bute.

The purpose of this strategy is to;

- create opportunities for tenant involvement;
- raise awareness of tenant involvement, and;
- remove barriers that may prevent people from getting involved.

15.2 Information regime

When an investment element is identified the tenant is visited on an individual basis to agree to any tenant choice or design features e.g. kitchen design and component choices.

15.2.1 Customer Choice

We aim to provide as much choice as possible to tenants when carrying out improvements, therefore choices are provided on the following projects:

- Kitchen refurbishments – colour choices of wall tiles, paints, worktops and units.
- Bathroom refurbishments – colour choices of tiles and paint. Sanitary ware is standardised as white.
- Electrical upgrading – choice on location of socket outlets in rooms, wherever practical.
- Central heating – choice of heating type based on the Heating Policy.
- Entrance doors – choice of colours on front entrance doors.

During this process, surveyors wherever possible will identify any special circumstances where tenants may be considered to be vulnerable, e.g. elderly or persons with disabilities. We will endeavour to provide adaptations, such as level access showers, after referral to the Argyll and Bute Council Occupational Therapy Service and within any financial allocation available.

15.2.2 Customer advice

The Tenant's Handbook was updated at the beginning of 2015 and is shortly to be made available to our tenants.

The Tenant's Handbook that offers advice to its tenants on all repairs and maintenance related subjects including such things as:

- Repairs and maintenance
- Helpful tips
- Being safe at home
- Help and support to live independently
- Grass cutting services
- Pest control

15.2.3 Customer Satisfaction

ACHA will survey the opinions of the tenants on a range of matters. A full tenant survey on a wide range of areas will be conducted at a minimum of every 5 years.

In addition, there will be surveys undertaken of specific satisfaction of every repair.

We survey all tenants of new build properties to assess their satisfaction with the new houses and learn for future developments.

15.2.4 Response Repairs – Satisfaction Surveys

a. Repairs Satisfaction Survey Cards

Once a repair has been logged as complete, our subsidiary, AHFA, leave satisfaction card with customer.

The card is Freepost in order to encourage as much feedback as possible. Again, as with the other survey methods, questions regarding customer care, quality of work etc. are asked. The survey card rate of return averaged at 6.8% for 2014/15.

Action – The survey method will be reviewed due to the relatively low return rate.

b. Telephone Repairs Satisfaction Call Back

10% of tenants who have had a completed repair are telephoned by Customer Service Centre staff and asked to complete a telephone survey. Apart from the visual inspection of the work carried out, the questions are largely the same as that for the satisfaction survey card.

c. Post Inspections

10% of completed response repairs are post inspected. The post inspection survey form covers a variety of issues including, quality of work, (visual inspection) customer care and appointments. Tenants can also contact any ACHA office to raise concerns with the repairs service or service they have received.

d. Summary of Results

The results of the tenant surveys for repairs satisfaction are set out in Table 31.

Table 31 Percentage tenants satisfied with repairs service

2010/11	2011/12	2012/13	2013/14	2014/15	Average
97.50%	96.60%	96.00%	96.79%	97.68%	96.91%

The overall satisfaction level has stayed relatively stable with incremental improvements in last three years.

15.2.5 Elemental Replacement – End of Defects

At the end of defects, we write to all tenants inviting them to report any defects and we undertake a 10% inspection.

15.2.6 New Build Customer Satisfaction Surveys

A standard survey form for new Tenants of new build housing developments was consulted on with Housing and Neighbourhood Team and the Tenants' Panel. All Tenants in new developments are surveyed within 6-12 months following the completion of works and the results summarised in a project completion review.

16.0 MONITORING AND REVIEW

16.1 Monitoring

The action plan will be monitored on a monthly basis by the Director of Investment and Regeneration and an annual Asset Management report will be presented to the Board

16.2 Review

The Asset Management Action Plan will be reviewed annually and the Asset Management Strategy will be reviewed every five years.

Appendix 1 Performance Standards Relevant to Asset Management

a. Scottish Social Housing Charter

As a registered social landlord, we are subject to regulation by the Scottish Housing Regulator. As a requirement of the Housing (Scotland) Act 2010, the Scottish Social Housing Charter was implemented which sets out the standards and outcomes that all social landlords must aim to achieve when performing their housing activities. The Scottish Social Housing Charter replaces the previous performance standards. The stipulated standards and outcomes are as follows;

The Customer / landlord relationship

- 1 Equalities
- 2 Communication
- 3 Participation

Housing quality and maintenance

- 4 Quality of housing
- 5 Repairs, maintenance and improvements

Neighbourhood and community

- 6 Estate management, anti-social behaviour, neighbour nuisance and tenancy disputes

Access to housing and support

- 7, 8 and 9 Housing options
- 10 Access to social housing
- 11 Tenancy sustainment
- 12 Homeless people (Local Authority)

Getting good value from rents and service charges

- 13 Value for money
- 14 and 15 Rents and service charges
- 16 Gypsies/Travellers

b. SHR Asset Management Guidance – Self Assessment Questions

Whole organisation

- Do people across the organisation see the importance of asset management and understand they all have a part to play?
Yes – cross departmental group, departmental cascading by group representatives, and dissemination through staff meetings
- Does the governing body also understand it, see it as part of core business strategy and take responsibility for its quality?
Objective in Strategic Plan 2015/16 and Board to review at October 2015 strategy meeting.

Understanding Customers

- Are you actively involved with the housing markets in which you operate, and well-informed about related aspects such as socio-economic and demographic change?
- **Home Argyll represents key tool in this area and we engage with the Local Authority in the Housing and Regeneration Forum.**
- Do you have information on the changing profile of your existing customers, and their needs and aspirations?
Survey data used, available statistics and ABC demographic information
- Does this take account of the full range of customers, including, for example, people with particular needs, and factored owners?
Yes
- Are consultation and customer feedback methods used to ensure a good flow of information from existing customers, including hard-to-reach groups?
Action point from recent survey

Risk

- Is the effort being put into strategic review proportionate to the issues being addressed and focussed on the aspects that really matter to the business?
Board have sequence of strategic reviews during year focusing on key areas of risk
- Is there a corporate risk register with a limited number of key risks identified, produced and reviewed in a way that involves all those responsible for the direction of the organisation?
Yes, at Strategic Review meetings, at team meetings
- Within the strategic asset management thinking, is there an awareness of the asset-related risks and the role of asset-based solutions to managing risks in the business?
Yes, section in AMS

Good information

- Do you have good quality management information on service performance and cost, and the social housing value being generated for the business plan by different groups of stock?
Data collection to provide base source
- Do you have a reasonably up-to-date and reliable picture of the condition of the stock and are you keeping that up-to-date?
Data collection, works to date, new stock condition survey 15/16
- Has that been turned into a long-term investment programme that takes account of all probable types of investment requirement, including the SHQS?
Yes and will be revised when necessary
- Do you have the information needed to understand future demand?
Data from Home Argyll used

Joined up planning

- Do you have a robust 30-year business plan that takes full account of the strategic asset management approach?
Yes – current works and EESSH and new Stock Condition Survey for future
- Do your plans consider the external environment, such as Scottish Government strategies and the impact of welfare reform?
Yes

Core Stock

- Are plans in place to keep the stock in good condition as economically as possible over the life of a 30-year business plan and meet changing and rising standards as far as they can be foreseen?
Yes to first, EESSH for second
- Do you have an efficient and customer-conscious responsive repairs service?
Yes in-house subsidiary AHFA
- Do you try to ensure that your homes and neighbourhoods appear well-cared-for?
Planned maintenance, related assets, ground maintenance, owners issues
- Do you try to make your homes as cheap to heat as possible?
SHQS/EESSH
- Do you provide effective services to factored owners that meet their requirements and assist your interests as a property owner within the blocks?
Factoring policy, recent survey

Cause for concern stock

- Do you have stock that for any reason is causing concern now or is felt likely to cause concern in the future?
Low demand, high level voids
- Do you adopt a systematic approach to identifying such homes and considering the options for them?
New - Stock review criteria to be developed
- Does your asset management approach contain the full range of options from 'wait and see' to radical intervention?
The new methodology will be more forward looking and proactive

Standards

- Do you have a comprehensive cyclical testing and maintenance programme that covers all items requiring regular testing or maintenance for any reason?
Yes
- For higher risk areas, do you use targeted external accreditation to verify safety standards?
Yes % of third party checks by Zurich and others
- For higher risk areas, how do you deal with no access situations?
Robust 'No Access' policy

New Stock

- Does your corporate strategy include for growth through new development or acquisition?
Yes
- How is it to be funded? **2018 Lloyds, ABC and SG**
- What is the housing market you are aiming at, and how will the new homes meet that aim? **Affordable new build housing**
- Is your experience as a landlord being translated into the design and specification of your new stock? **Post development reviews, recommendations implemented**

VFM

- Is everyone who is making spending decisions aware of the cost and thinking about how to get the most from it?
Yes – procurement policy requires balancing cost and quality as required
- Are you able to demonstrate to tenants and to yourselves that work is done at the best possible balance between cost and quality?
Rent review, voids cost benefit, EESSH
- Do you have a procurement strategy that makes the most of modern methods of procurement?
Yes but due for review 2015
- Are your arrangements for programme and contract management low cost and efficient?
In house, VAT savings, set procedures

Appendix 2 Stock Details 28th March 2015

Rentable Stock

HOUSES	5131
MID MARKET	2
GARAGES	18
GARAGE SITES	131
TP SITES	30
ALLOTMENTS	8
	<hr/>
	5320
	<hr/>

Non-Rentable Stock

PLAY AREAS	30
WATER SUPPLIES	12
SEPTIC TANKS	43
OFFICES	4
	<hr/>
	89
	<hr/>

Voids

HOUSES	172
GARAGES	6
GARAGE SITES	16
TP SITES	10
	<hr/>
	204
	<hr/>

No of Bedrooms

0	98
1	1343
2	2184
3	1369
4	131
5	5
8	1
	<hr/>
	5131
	<hr/>

Property Types

FLAT GROUND	440
FLAT UPPER	393
MAISONETTE GRD	21
MAISONETTE UPP	77
TENEMENT GRND	486
TENEMENT UPP	910
DETACHED HSE	28
END TERRACE	651
MID TERRACE	824
SEMI DET HOUSE	933
AMTY DISBLD GR	7
AMTY ELDLY GR	37
AMTY ELDLY UPR	3
SHSG FOR ELDLY HEL	120
SHLTRD GROUND	108
SHLTRD UPPER	93
	<hr/>
	5131
	<hr/>

House Stock by Area (Summary)

Houses

BUTE	503
COWAL	918
ISLAY	336
KINTYRE	850
MID ARGYLL	596
LORN AND ISLES	936
LOMOND	992
	<hr/>
	5131
	<hr/>

Garages

BUTE	5
COWAL	9
ISLAY	0
KINTYRE	0
MID ARGYLL	0
LORN AND ISLES	0
LOMOND	4
	<hr/>
	18
	<hr/>

Garage Sites

BUTE	0
COWAL	13
ISLAY	0
KINTYRE	48
MID ARGYLL	25
LORN AND ISLES	45
LOMOND	0
	<hr/>
	131
	<hr/>

TP Sites

COWAL	8
MID ARGYLL	14
LORN AND ISLES	8
	<hr/>
	30
	<hr/>

Allotments

KINTYRE	8
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House Stock by Area

<u>No Of Properties</u>	<u>BUTE</u>
41	ARDBEG ROTHESAY
58	BALLOCHGOY ROTHESAY
83	BARONE ROTHESAY
65	BUSH ROTHESAY
1	CNOC AN RAER
39	COLUMSHILL ROTHESAY
34	FERFADD COURT RSAY
4	GLEBELANDS ROTHESAY
1	KILCHATTAN BAY
22	LADESIDE PL ROTHESAY
23	PORT BANNATYNE
132	TOWN CENTRE ROTHESAY
<hr/>	
503	

<u>No Of Properties</u>	<u>COWAL</u>
2	ARDENTINNY
1	BENMORE
4	BLAIRMORE
7	COLINTRAIVE
153	COWAL PLACE AREA
32	FINBRACKEN SANDBANK
110	GLEBE AREA DUNOON
7	GLENDARUEL
38	INNELLAN
39	KAMES
19	KILMUN
230	KIRN ARDENSLATE AREA
25	KIRN PARK ROAD AREA
21	LOCHGOILHEAD
2	MILLHOUSE
38	ORLITS SANDBANK
52	OTHERS SANDBANK
19	STRACHUR
23	STRONE
5	TIGHNABRUAICH
1	TOWARD
90	TOWN AREA DUNOON
<hr/>	
918	

<u>No Of Properties</u>	<u>ISLAY</u>
19	BALLYGRANT ISLAY
93	BOWMORE ISLAY
8	BRIDGEND ISLAY
15	BRUICHLADDICH ISLAY
1	COLONSAY
7	CRAIGHOUSE JURA
1	GIGHA
12	KEILLS ISLAY
1	KILCHOMAN ISLAY
1	KIRK CARE DON CASK S
23	PORT CHARLOTTE ISLAY

150	PORT ELLEN ISLAY
5	PORTNAHAVEN ISLAY
<hr/>	
336	
<hr/>	

<u>No Of Properties</u>	<u>KINTYRE</u>
151	CALTON AREA
43	CARRADALE
91	CASTLEPARK AREA
102	DALINTOBER-DALARUAN
31	DRUMLEMBLE
6	GLENBARR
142	HIGH ST CAMPBELTOWN
3	KILKENZIE
62	LONGROW CAMPBELTOWN
23	MACHRIHANISH
39	MEADOWS AREA
4	MUASDALE
56	NEW PARLIAMENT PLACE
1	OTHER HOUSING C'TOWN
1	PENNINVER
9	SADDELL
18	SOUTHEND
24	STEWARTON
23	TAYINLOAN
21	TOWN CENTRE
<hr/>	
850	
<hr/>	

<u>No Of Properties</u>	<u>MID ARGYLL</u>
7	ACHAHOISH
3	CAIRNBAAN
51	CENTRAL ARDRISHAIG
10	CLACHAN
3	CRAIGNISH
2	CRARAE
4	CRINAN
4	EREDINE
8	FORD
23	FURNACE
46	GLENFYNE ARDRISHAIG
1	KILMARTIN
9	KILMICHAEL GLASSARY
104	LOCHGILPHEAD CENTRAL
47	LOCHGILPHEAD KILMORY
5	LOCHGILPHEAD OUTER
25	LOCHGILPHEAD SOUTH
29	MAIN ROAD ARDRISHAIG
6	MINARD
21	NEW TOWN INVERARAY
45	OLD TOWN INVERARAY
57	TARBERT CENTRAL
38	TARBERT EAST
45	TARBERT SOUTH
2	TAYVALLICH
1	TORINTURK

<u>No Of Properties</u>	<u>LORN</u>
9	APPIN
1	BALVICAR
2	BARCALDINE
23	BENDERLOCH
20	BONAWE
22	BUNESSAN
8	CLACHAN SEIL
9	COLL
5	CONNEL
17	CRAIGNURE
5	CULLIPOOL
24	DALMALLY
3	DERVAIG
68	DUNBEG
71	DUNOLLIE OBAN
1	FIONNPHORT
1	IONA
2	KILCHRENAN
2	KILMELFORD
1	KILMORE
2	KILNINVER
1	LISMORE
2	LOCHAWE
67	LONGSDALE OBAN
120	MILLER ROAD AREA
30	MILLPARK OBAN
23	NORTH CONNEL
40	OBAN
7	OBAN TOWN AREA
26	OBAN TOWN CENTRE
33	OBAN WHITE CITY
32	SALEN
174	SOROBA OBAN
39	TAYNUILT
24	TIREE
18	TOBERMORY
4	TOBERONOCHY

<u>No Of Properties</u>	<u>LOMOND</u>
24	ARDENCAPLE
29	ARROCHAR
87	CARDROSS
49	CRAIGENDORRAN NORTH
77	CRAIGENDORRAN SOUTH
11	DRUMGARVE
113	GARELOCHHEAD
39	HELENSBURGH EAST
103	HELENSBURGH EAST CEN
56	HELENSBURGH WEST CEN
18	HOOD COURT
18	JOHNSON COURT
29	KILCREGGAN
45	KIRKMICHAEL - NORTH
119	KIRKMICHAEL SOUTH
1	KIRKMICHAEL WEST
5	LUSS
9	MOSSEND
58	RHU
102	ROSENEATH
<u>992</u>	

Garages

<u>No of Garages</u>	<u>BUTE</u>
5	TOWN CENTRE ROTHESAY

<u>No of Garages</u>	<u>COWAL</u>
4	INNELLAN
4	KIRN ARDENSLATE AREA
1	STRONE
<u>9</u>	

<u>No of Garages</u>	<u>LOMOND</u>
4	GARELOCHHEAD

GARAGE SITES

<u>No of Sites</u>	<u>COWAL</u>
	3 COLINTRAIVE
	2 OTHERS SANDBANK
	7 STRACHUR
	1 STRONE
<hr/>	
<u>13</u>	

<u>No of Sites</u>	<u>KINTYRE</u>
	4 CALTON AREA
	24 CASTLEPARK AREA
	1 KILKENZIE
	8 MEADOWS AREA
	1 SOUTHEND
	2 STEWARTON
	8 TAYINLOAN
<hr/>	
<u>48</u>	

<u>No of Sites</u>	<u>MID ARGYLL</u>
	3 FURNACE
	8 LOCHGILPHEAD CENTRAL
	7 LOCHGILPHEAD SOUTH
	7 NEW TOWN INVERARAY
<hr/>	
<u>25</u>	

<u>No of Sites</u>	<u>LORN</u>
	2 BRIDGE OF ORCHY
	2 DUNBEG
	10 LONGSDALE OBAN
	1 NORTH CONNEL
	5 OBAN TOWN AREA
	25 OBAN WHITE CITY
<hr/>	
<u>45</u>	

TP SITES

No of Sites

COWAL
8 TORLOCHAN TP SITE

No of Sites

MID ARGYLL
14 DUNCHOLGAN TP SITE

No of Sites

LORN
8 LEDAIG TP SITE

ALLOTMENTS

No of Sites

COWAL
8 NEW PARLIAMENT PLACE

Appendix 3 Sheltered Housing Accommodation

Address	No. of Units	Ancillary Facilities
Cragroy, Dunoon	26	1 x Communal Room 1 x Laundry 2 x Guest Rooms 1 x Office 2 x Toilets
Wallace Court, Dunoon	17	2 x Sun Room 1 x Laundry 1 x Communal Room 2 x Guest Rooms 1x Office 1 x Toilet
Ferfadd Court, Rothesay	33	1 x Office (with toilet) 1 x Communal Lounge 1 x Communal laundry 1 x Guest Flat (No 8) 1 x Guest Room
Dunmar Court, Oban	31	2 x Guest Rooms 1 x Kitchen 1 x Lounge 3 x Public Toilets 1 x Laundry 1 x Office 1 x Lift Room 1 x Switch Room 2 x Walk in Cupboards 2 x Outside Sheds
Ford Spence Court, Benderloch	20	1 x Guest Room 1 x Staff Flat 1 x Laundry 2 x Public Toilets 1 x Kitchen 2 x Lounges 1 x Conservatory 1 x Office 1 x Lift Room 1 x Switch Room 1 x Walk in Store
Elder Crescent, Bowmore	10	None
MacDougall Place, Bunessan, Mull	6	1 x Ground Floor 1 Bedroom Flat not part of MacDougal Place 1 x Bedroom (office) 1 x Lounge with Open Plan Kitchen (common room) 1 x Toilet
Caledonia Court, Ardrishaig	17	1 x Office 1 x Lounge 1 x Laundry 1 x Public Toilet 1 x Shower Room 1 x Day Centre Area Incorporating Hall 1 x Kitchen 1 x Vestibule Area

		2 x Guest Rooms 1 x Lift Room 1 x Communal Room
Chalmers Court, Inveraray	19	1 x Day Centre Area Incorporating Communal Room 1 x Laundry Room 1 x Office 1 x Kitchen 1 x Toilet 1 x Guest Room 1 x Meeting Room
Lochgair Place, Tarbert	13	1 x Office 1 x Bathroom
McCracken Court, Lochgilphead	8	1 x Former Lounge and Open Plan Kitchen Area 1 x Room let as office to Carr Gomm 1 x Office 1 x Box Room 2 x Toilets (1 with bath and 1 with shower)
Total	200	

Appendix 4 Related Assets

PLAY AREAS

Property reference	Address line 1	Address line 2	Address line 3	Current Status
HA00700650000	PLAY AREA - NEWTON PARK	INNELLAN	DUNOON	ACTIVE
HA00700880000	PLAY AREA - TOR ALUINN	BULLWOOD	DUNOON	ACTIVE
HA01900100000	PLAY AREA - BROOMHILL	BOWMORE	ISLE OF ISLAY	ACTIVE
HA01900840000	PLAY AREA - STANALANE	BOWMORE	ISLE OF ISLAY	ACTIVE
HA02600540000	PLAY AREA - LAOIGAN PLACE	KEILLS	ISLE OF ISLAY	ACTIVE
HA02800870000	PLAY AREA - TEXA CRESCENT	PORT ELLEN	ISLE OF ISLAY	ACTIVE
HA03200790000	PLAY AREA - PRINCES STREET	CAMPBELTOWN		ACTIVE
HA03400770000	PLAY AREA - RHUDAL COTTAGES	DRUMLEMBLE	CAMPBELTOWN	ACTIVE
HA03800070000	PLAY AREA - BAYVIEW	MACHRIHANISH	CAMPBELTOWN	ACTIVE
HA04100620000	PLAY AREA - MILLERS PARK	SADDELL	CAMPBELTOWN	ACTIVE
HA05400330000	PLAY AREA - GLENVIEW	DALMALLY		ACTIVE
HA05500570000	PLAY AREA - LORN ROAD	DUNBEG	OBAN	ACTIVE
HA06400560000	PLAY AREA - LORA VIEW	NORTH CONNEL	OBAN	ACTIVE
HA06500240000	PLAY AREA - KERRERA TERRACE	OBAN		ACTIVE
HA06500360000	PLAY AREA - COLONSAY TERRACE	OBAN		ACTIVE
HA06500440000	PLAY AREA - MCCAIG ROAD	OBAN		ACTIVE
HA06700790001	PLAY AREA - REEF TERRACE	TIREE		ACTIVE
HA07600740000	PLAY AREA - QUEEN ELIZABETH CO	FURNACE	INVERARAY	ACTIVE
HA07700110000	PLAY AREA - UPPER RIOCHAN	INVERARAY		ACTIVE
HA08200310001	PLAY AREA - HIGHBANK PARK	LOCHGILPHEAD		ACTIVE
HA08400130000	PLAY AREA - CHURCH TERRACE	TARBERT		ACTIVE
HA08502350000	PLAY AREA - MILL ROAD	CARDROSS		ACTIVE
HA09105080000	PLAY AREA - BENTALLA CRESCENT	SALEN	ISLE OF MULL	ACTIVE
HA09105460000	PLAY AREA - JARVISFIELD ROAD	SALEN	ISLE OF MULL	ACTIVE
HA09200940000	PLAY AREA - WATSON PLACE	ARDBEG	ROTHESAY	ACTIVE
HA09700480000	PLAY AREA - CHURCH LANE	ROTHESAY	ISLE OF BUTE	ACTIVE
	PLAY AREA - NURSERY STREET	HELENSBURGH		ADD
	PLAY AREA - FOREST VIEW	STRACHUR	COWAL	ADD
HA08200210000	PLAY AREA - DEWAR AVENUE	LOCHGILPHEAD		REMOVED
HA09003960000	PLAY AREA - HOOD COURT	RHU		REMOVED
HA09700640000	PLAY AREA - EAGLESHAM TERRACE	ROTHESAY	ISLE OF BUTE	REMOVED
HA09700680000	PLAY AREA - LADESIDE PLACE	ROTHESAY	ISLE OF BUTE	SUSPENDED - LEASED TO LIGHT UP BUTE
	PLAY AREA - WELLPARK	KILCHENZIE	KINTYRE	Lease ending - decision still to be made regarding future

SEPTIC TANKS

Property reference	Address line 1	Address line 2	Address line 3	Current Status
HA00200040000	SEPTIC TANK ALT-NA-BLATHAICH	BENMORE		ACTIVE
HA00400040000	SEPTIC TANK ALT-NA-BUIE	COLINTRAIVE		ACTIVE
HA00600200000	SEPTIC TANK DUILETTER	GLENDARUEL		ACTIVE
HA00600500001	SEPTIC TANK KILNAISH	GLENDARUEL		ACTIVE
HA00600840001	SEPTIC TANK STRONAFIAN	STRONAFIAN		ACTIVE
HA01100820000	SEPTIC TANK SHAWHOLM	MILLHOUSE		ACTIVE
HA02000340000	SEPTIC TANK GLEN ROAD	BRIDGEND	ISLE OF ISLAY	ACTIVE
HA02000660000	SEPTIC TANK NEWTON COTTAGES	BRIDGEND	ISLE OF ISLAY	ACTIVE
HA02100140000	SEPTIC TANK COASTGUARD COTTAGE	KILCHOMAN	ISLE OF ISLAY	ACTIVE
HA02700650000	SEPTIC TANK NERABUS COTTAGES	PORT CHAROTTE	ISLE OF ISLAY	ACTIVE
HA03300880000	SEPTIC TANK TOSH'S PARK	CARRADALE		ACTIVE
HA03700950000	SEPTIC TANK WELLPARK	KILCHENZIE		ACTIVE
HA04200620001	SEPTIC TANK MILLPARK	SOUTHEND	SERVING 1-6	ACTIVE
HA04200620002	SEPTIC TANK MILLPARK	SOUTHEND	SERVING 7-10	ACTIVE
HA04200940000	SEPTIC TANK WALLACE COTTAGES	SOUTHEND	SERVING 1-8 & 19-22	ACTIVE
HA04200940001	SEPTIC TANK WALLACE COTTAGES	SOUTHEND	SERVING 13-15 & 23-26	ACTIVE
HA04200940002	SEPTIC TANK WALLACE COTTAGES	SOUTHEND	SERVING 27-30	ACTIVE
HA04600050000	SEPTIC TANK AUCHINREIR	BARCALDINE		ACTIVE
HA05100340000	SEPTIC TANK GORDON LEA	COLL		ACTIVE
HA05200400000	SEPTIC TANK HILL COTTAGE	COLONSAY		ACTIVE
HA05200420000	SEPTIC TANK REWARD COTTAGE	COLONSAY		ACTIVE
HA05900270000	SEPTIC TANK FEOCHAN COTTAGES	KILNINVER		ACTIVE
HA06000140000	SEPTIC TANK CNOC-AN-DARAICH	KILMORE		ACTIVE
HA06200150000	SEPTIC TANK CRUACHAN BUILDINGS	LOCHAWE		ACTIVE
HA06200830000	SEPTIC TANK ST CONANS ROAD	LOCHAWE		ACTIVE
HA06400250001	SEPTIC TANK LEDAIG TP SITE	LEDAIG	OBAN	ACTIVE
HA06700050001	SEPTIC TANK RUDHA COTTAGES	TIREE		ACTIVE
HA06700080000	SEPTIC TANK DUN BHEAG	TIREE		ACTIVE
HA06700150000	SEPTIC TANK CORNAIGMORE	TIREE		ACTIVE
HA06700160000	SEPTIC TANK RUAIG	TIREE		ACTIVE
HA07100810000	SEPTIC TANK OLD SCHOOLHOUSE	CLACHAN		ACTIVE
HA07100880000	SEPTIC TANK TIGH TRUAN	CLACHAN		ACTIVE
HA07500070000	SEPTIC TANK BALURE COTTAGES	FORD		ACTIVE

HA07500250002	SEPTIC TANK FORESTRY COTTAGES	EREDINE		ACTIVE
HA08200240001	SEPTIC TANK DUNCHOLOGAN	LOCHGILPHEAD		ACTIVE
HA08400880001	SEPTIC TANK TORINTURK	TARBERT		ACTIVE
HA09104990000	SEPTIC TANK TORRAN	IONA		ACTIVE
HA09300150000	SEPTIC TANK CNOC-AN-RAER	ISLE OF BUTE		ACTIVE
HA01100270000	SEPTIC TANK FERGUSHOLM	MILLHOUSE		REMOVE - NO TANK
HA08603520000	SEPTIC TANK CEMETERY BARBOUR	COVE	HELENSBURGH	REMOVE - NO TANK
HA05800140000	SEPTIC TANK CUILFAIL COTTAGES	KILMELFORD		REMOVE - PUBLIC
HA07400510000	SEPTIC TANK KILMAHUMAIG	CRINAN		REMOVE - PUBLIC
HA09101030000	SEPTIC TANK FOUNTAINHEAD	BUNESSAN	ISLE OF MULL	REMOVE - PUBLIC

WATER SUPPLIES

Property reference	Address line 1	Address line 2	Address line 3	Current Status
HA02100200000	WATER SUPPLY - KILCHOMAN	ISLE OF ISLAY		ACTIVE
HA04800810000	WATER SUPPLY - BONAWE	BONAWE		ACTIVE
HA06100700000	WATER SUPPLY - ACHNACROISH	LISMORE		ACTIVE
HA07500250000	WATER SUPPLY - EREDINE	EREDINE		ACTIVE
HA08400880000	WATER SUPPLY - TORINTURK	BY TARBERT		ACTIVE
HA01700600000	WATER SUPPLY - ARDBEG	ARDBEG	ISLE OF ISLAY	REMOVE - HOUSES SOLD
HA00600150000	WATER SUPPLY - CLACHAN	GLENDARUEL		REMOVE - PUBLIC MAIN
HA00600500000	WATER SUPPLY - KILNAISH	GLENDARUEL		REMOVE - PUBLIC MAIN
HA00600840000	WATER SUPPLY - STRONAFIAN	GLENDARUEL		REMOVE - PUBLIC MAIN
HA03700400000	WATER SUPPLY - KILKENZIE			REMOVE - PUBLIC MAIN
HA06000200000	WATER SUPPLY - KILNINVER			REMOVE - PUBLIC MAIN
HA06800100000	WATER SUPPLY - ACHAHOISH	BY LOCHGILPHEAD		REMOVE - SUPPLIED BY ORMSARY ESTATE

Appendix 5 Office Accommodation Leases

Location	Lease Cost	Lease Period	Notice Period	Landlord
Dolphin Hall, Dunoon	£52,221	Lease from 1st April 2015 to 30th April 2015 and monthly thereafter	One months' notice to quit, which notice can be served at any time by either party.	ABC
Dalriada House, Lochgilphead	£121,451	Lease from 1st April 2015 to 31st March 2016	Three months' notice to quit, which notice can be served at any time by either party.	ABC
Old Quay Head, Campbeltown	£21,519	Lease from 1st April 2015 to 30th April 2015 and monthly thereafter	One months' notice to quit, which notice can be served at any time by either party.	ABC
Union Street, Rothesay	£21,840	Lease from 1st April 2015 to 31st December 2015 and monthly thereafter.	Three months' notice to quit, which notice can be served at any time by either party.	ABC
Jamieson Street, Bowmore	£14,773	Lease from 1st April 2015 to 31st March 2016	Three months' notice to quit, which notice can be served at any time by either party.	ABC
Store at Highbank Lochgilphead	£3,156	Rolling Lease	Three months' notice	

Leases terminated in 2015/16

Location	Lease Cost	Lease Period	Notice Period	Landlord
31 James Street, Helensburgh	£33,788	Lease from 1st April 2015 to 30th April 2015 and monthly thereafter.	One month notice, which notice can be served at any time by either party.	ABC
Sinclair Street, Helensburgh	£46,072	Lease from 1st April 2015 to 30th April 2015 and monthly thereafter.	One month notice, which notice can be served at any time by either party.	ABC

Appendix 6 Staff Establishment of AHFA and related matters

1. Staff Numbers at 31st March 2015, stood at;

12.5 Office based Admin & Management

4 Gas Service Engineers

5 Builders

7 Joiners

1 Electrical Supervisor

4 Electricians

4 Plumbers

1 Labourer

3 Trainees

2 Solid Fuel Operatives

AHFA have been up skilling their operatives over the past year to broaden their abilities so the distinction of set trades is now blurred as a lot of operatives now have the skills to undertake works across a number of disciplines.

2. Productivity

The average number of jobs completed per tradesman is sitting at just under four per day. The geographical spread and rural locations of the housing stock has an impact on the numbers achieved. It should be noted that the figure includes two man and larger jobs involving two or more men over a number of days.

In the broadest terms the direct costs to carryout work in house is £2,830k per annum.

3. Sub-Contract Works

Repairs commissioned externally total around 2,500 and can be broken down into two main categories:

- a) Specialist works or such remotely located jobs which make in-house delivery of services cost prohibitive. This accounted for around £200k and included blacksmith / welding, scaffolding and specialist access, tree surgery, stair lifts, works undertaken on property partly owned by ACHA by private owners, high pressure drain unblocking, specialist clearances such as asbestos and work on islands where we have limited property numbers e.g. Tiree, Coll and Mull.
- b) Areas where lack of availability to achieve required target dates or jobs which were of such a significant nature they would preclude the allocation of reactive resources to undertake them efficiently. Also where trade specific island jobs are sporadic and again do not merit allocating resource from the mainland to achieve target dates. Lack of trade availability includes insufficient resource due to demand, unplanned staff absence and holidays. In total this accounted for around £510k of work issued during the year.

4. External clients

It is understood that AHFA will in time be in a position to carry out various works for external clients. The obvious benefit to the business would come in the spreading of fixed costs across various clients. For the group, the return of any profit to the parent company via the gift aid route already established would be beneficial. This is however not without risk, in the first instance there is the matter of profitability in that any additional works gained are likely to be won via competitive tender and there is an inherent risk that the award of these works will be at such a fine margin with little scope for error. In addition, taking on works for other clients will pose challenges when it comes to prioritising work to meet service provision

across various parties. Inconvenience to customers and reputational damage to the business would have to be considered. At present we have taken on additional work from ACHA over the past two years and are focussed on improving our efficiencies in order to be best placed and capable of undertaking work with other parties in the future.

Appendix 7 Related Assets - Early Action Funding

RE-APPROVAL EXERCISE prepared February 2015

SCHEME	TRS	DATE OF OFFER	GRANT APPROVAL	GRANT RECEIVED	ESTIMATE TO COMPLETE	DIFFERENCE	RE- APPROVAL EXERCISE GRANT REQUEST
				28.10.14			
Demolition of Park Sq/Parliament Pl/Broad St	26041	21-Mar-07	481,655	480,510	0	-1,144	480,510
Croft Ave, Oban - Demo	27223	13-Nov-07	53,243	45,123	0	-8,119	45,123
Croft Ave, Oban - New Build	28781	06-Jul-09	673,224	673,000	0	-224	673,000
Cardross Playpark	27836	12-Mar-08	15,234	15,198	0	-35	15,198
Soroba Bridge Replacement (Revised)	28122	12-May-08	1,011,869	931,863	0	-80,005	931,863
Burnbank Cottages, Drumlemble	28223	26-Jun-08	193,143	190,680	0	-2,462	190,680
Play Area Strategy	28754	19-Dec-08	611,150	531,870	1,419	-77,860	533,289
Garage Strategy	28755	19-Dec-08	690,060	688,934	0	-1,126	688,934
Unadopted Private Water Supplies	29765	09-Oct-09	412,171	262,575	75,000	-74,595	337,575
Roads & Footpaths	29891	15-Feb-13	6,547,729	6,709,588	374,039	535,899	7,083,628
Septic Tanks	32523	15-Feb-13	560,520	0.	270,195	-290,324	270,195
TOTAL			11,250,000	10,529,345	720,654	0	11,250,000
EAF AGREEMENT							11,250,000

Appendix 8 Housing Need

Area	Number of First Choices for this area
Achahoish	2
Alexandria Town Centre	6
Appin	12
Ardbeg	12
Ardencaple	26
Ardentinny	2
Ardrishaig	30
Arrochar	31
Balvicar	5
Barcaldine	2
Benderloch	16
Benmore	1
Blairmore	2
Bonawe	4
Bonhill	4
Bonhill Road	2
Cairnbaan	5
Cairndow	5
Campbeltown	172
Cardross	52
Carradale	7
Castlegreen Crescent	4
Castlegreen Street	5
Churchill	32
Clachan	2
Clachan Seil	1
Clydeview	8
Cnoc An Raer	1
Colintraive	5
Coll	15
Colonsay	14
Connel	40
Craigendorrان - Drumfork Court	5
Craigendorrان South	33
Craignish	10
Crinan	2
Crosslett Road	1
Dalmally	9
Drumlemble	4
Dumbarton Town Centre	2
Dunbeg	51
Dunoon - Kirn	158
Dunoon - Town	208

Area	Number of First Choices for this area
Ford	1
Furnace	6
Garelochhead	24
Gartocharn	5
Gigha	3
Glenbarr	1
Glendaruel	1
Haldane	3
Helensburgh - Williamson Drive	12
Helensburgh Town Centre	172
Hermitage	37
Hood Court	3
Innellan	18
Inveraray	52
Iona	12
Islay - Ballygrant	1
Islay - Bowmore	63
Islay - Bridgend	1
Islay - Bruichladdich	1
Islay - Keills	6
Islay - Port Charlotte	15
Islay - Port Ellen	50
Islay - Portnahaven	3
Johnson Court	2
Jura	10
Kames	9
Kilchattan Bay	10
Kilchrenan	2
Kilcreggan	13
Kilmartin	2
Kilmelford	4
Kilmichael-Glassary	4
Kilmore	4
Kilmun	9
Kirkmichael - Logie Place	3
Kirkmichael North	6
Levenbank Terrace	3
Lismore	2
Lochawe	3
Lochgilphead	108
Lochgoilhead	19
Longsdale	8
Luing	3
Luss	19
Machrihanish	6

Area	Number of First Choices for this area
Millhouse	3
Minard	1
Mossend	2
Mull - Bunessan	4
Mull - Craignure	13
Mull - Dervaig	6
Mull - Fionnphort	5
Mull - Salen	14
Mull - Tobermory	40
Mull - Ulva Ferry	2
North Connel	6
Oban - Corelli Court	8
Oban - Dunollie	56
Oban - Glenshellach	112
Oban - Miller Road Area	26
Oban - Millpark	27
Oban - Polvinster	10
Oban - Soroba	33
Oban - Town Area	110
Oban - Town Centre	67
Oban - White City	22
O'Neill Terrace	1
Port Bannatyne	17
Rhu	31
Rosneath	20
Rothesay - Ballochgoy	26
Rothesay - Barone	28
Rothesay - Bush & surroundings	30
Rothesay - Columshill	4
Rothesay - Ladeside Place	9
Rothesay - Town Centre	79
Round Riding Road	5
Sandbank	17
Southend	1
Stewarton	3
Strachur	12
Strone	9
Sutherland Gardens	1
Tarbert	55
Tayinloan	1
Taynuilt	22
Tayvallich	3
Tighnabruaich	5
Tiree	13
Torinturk	1

Area	Number of First Choices for this area
Toward	3
Tullichewan	3
Grand Total	2713
There are a further 219 applicants with no first choice area	

Appendix 9 Housing Need Assessment Form, example

New Build Proposal – BOWMORE

Analysis of Current Housing Demand and existing stock details

Area of Land Identified:

Site adjacent to current Phase 1

Proposed Number of Units:

10 for Phase 2

Background:

See Board Report

Information completed by Housing & Neighbourhood Services:

Detail	Information from HNS				
Housing Demand – Number of Applicants who have indicated this area as their “First Choice”	68 applicants with IC (Bowmore) as first choice				
Housing Demand – Number of Applicants with a housing need for each bedroom size:	(All apps eligible for bed size)	(Eligible and awarded points)			
	1 bedroom – 60	1 bedroom – 49			
	2 bedroom – 55	2 bedroom – 38			
	3 bedroom – 23	3 bedroom – 17			
	4 bedroom – 9	4 bedroom – 6			
	5 bedroom – 1	5 bedroom – 1			
Housing Demand – Number of Applicants with a housing need and Desire for each bedroom size:	1 bedroom – 62				
	2 bedroom – 83				
	3 bedroom – 45				
	4 bedroom – 15				
	5 bedroom – 1				
Number of Applicants who wish to be considered for housing in this area, split by housing list	Waiting List – 105				
	Transfer List – 21				
	Homeless List – 7				
Are there any issues relating to Homelessness?	No. It’s interesting that proportionately there is a low level of homeless applicants which is not proportionate to 50% lets.				
Would a Local Lettings Initiative be beneficial? And if yes, provide reasons	Yes, a proposal for Transfer only lets would be useful.				
Provide Breakdown of existing Housing Stock within this area	Bowmore				
		Hous	Shelt	Grand	
	Flat	e	ered	Tot	
				al	
	1 Bedroom	1	10	10	21
	2 Bedroom	13	33		46
	3 Bedroom	1	25		26
	4 Bedroom		1		1

	Grand Total	15	69	10	94										
Is there known overcrowding or under occupation within the current stock?	Not known at this time. DHP is masking demand for downsizing applications.														
Provide details on void turnover for last 2 years	By Bedrooms <table border="1"> <thead> <tr> <th colspan="2">Count of No. of bedrooms</th> </tr> </thead> <tbody> <tr> <td>1 Bedroom</td> <td>8</td> </tr> <tr> <td>2 Bedroom</td> <td>6</td> </tr> <tr> <td>3 Bedroom</td> <td>2</td> </tr> <tr> <td>Grand Total</td> <td>16</td> </tr> </tbody> </table> (includes 7 for Sheltered Housing at Elder Crescent) (Figures from 01/07/2012 – 12/08/14)					Count of No. of bedrooms		1 Bedroom	8	2 Bedroom	6	3 Bedroom	2	Grand Total	16
Count of No. of bedrooms															
1 Bedroom	8														
2 Bedroom	6														
3 Bedroom	2														
Grand Total	16														
Are there any concerns regarding low demand?	None														
Are there any concerns regarding gaps in housing size/types?	Would require further analysis.														
Are there specific needs for households within the area?	Would require further analysis to determine.														
Provide details on any competition in the market for same tenant group	WHHA also have properties as do Trust.														
HNS support the Development?	Yes														
If yes, proposed preference for Housing Mix (include house types)	3 & 4 bedroom houses.														
Provide this space for any further comments.															

Date Completed:	13 th August 2014
Name of Officer:	
Date Passed to Regional Manager:	
Date Approved by Regional Manager:	13 th August 2014
Date Passed to Regeneration section:	13 th August 2014

Appendix 10 Current Projects and Future Opportunities September 2015

<u>Site Address</u>	<u>Nrs</u>	<u>Status</u>	<u>Grant Approved</u>	<u>Planning Approval</u>	<u>Site Ownership</u>	<u>Comments</u>
Complete						
New Parliament Place, Campbeltown	52	complete	yes	yes	ACHA	transfer site with demolition
Smiddy Court, Garelochhead Ph1	4	complete	yes	yes	ACHA	section 75 developer negotiation
Smiddy Court, Garelochhead Ph2	8	complete	yes	yes	ACHA	developer negotiation
Croft Avenue, Oban	8	complete	yes	yes	ACHA	transfer site with demolition
Relief Land, Inveraray	5	complete	yes	yes	ACHA	refurbishment and remodelling
Highfield, Bowmore	3	complete	yes	yes	ACHA	Refurbishment and remodelling
MacMillan Court, Ardrishaig	18	complete	yes	yes	ACHA	developer design & build
Donich Park, Lochgoilhead	4	complete	yes	yes	ACHA	joint project with DHA, complete March 12
Scott Terrace, Dalmally	8	complete	yes	yes	ACHA	Innovation & Investment funded
Fairways Drive, Dunoon	24	complete	yes	yes	ACHA	Section 75 developer negotiation
Church Way, Port Ellen, Islay	8	complete	yes	yes	ACHA	Rural Housing Development Fund, Oct 13 completion
Park Square, Campbeltown	32	complete	yes	yes	ACHA	Opening by Alex Salmond
Kenmore Cottages, Bonawe	2	complete	yes	yes	ACHA	RHDF, planning application submitted
Catalina Avenue, Oban	40	complete	yes	yes	ACHA	completion November 14
Oakfield, Tarbert	8	complete	yes	yes	ACHA	Completion January 15
Duchess Court, Helensburgh	12	complete	yes	yes	ACHA	Completion March 15
St Oran's Place, Connel	8	complete	yes	yes	ACHA	Completion April 15
Sealladh Na Mara, Bowmore	20	complete	yes	yes	ACHA	Completion July 2015
Total	264					

<u>Site Address</u>	<u>Nrs</u>	<u>Status</u>	<u>Grant Approved</u>	<u>Planning Approval</u>	<u>Site Ownership</u>	<u>Comments</u>
Contracts Accepted/ Onsite						
Tower View, Inveraray	12	onsite	yes	yes	ACHA	Administration, completion now due Jan16
St Oran's Place, Phase 2, Connel	10	onsite	yes	yes	ACHA	
Tayvallich	2	onsite	yes	yes	ACHA	
Catalina Avenue/ Pond, Oban	17	onsite	yes	yes	ACHA	
Sealladh Na Mara, Phase 2, Bowmore	10	onsite	yes	yes	ACHA	
Total	51					
Other SHIP core projects 2015/18						
Jutland Court, Helensburgh	16		no	no	Private	Developer negotiations
Coll	2		no	no	ACHA	Planning application Sept16
Victoria Park, Dunoon	5		no	yes	ACHA	retender in 2015/16
Tigh Rhuda, Tiree	6-10		no	no	Council	Feasibility ongoing but NHS/ ABC funding issues
Carradale	2		no	no	Forestry	On hold – demand?
Total						

Other Opportunities

<u>Site Address</u>	<u>Nrs</u>	<u>Status</u>	<u>Grant Approved</u>	<u>Planning Approval</u>	<u>Site Ownership</u>	<u>Comments</u>
Glencruitten Dairy	12		no	no	Private	
Tower View, Phase 2, Inveraray	10		no	no	Estate	
St Oran's Place Ph3, Connel	12		no	no	Developer	
Glenshellach, Oban	100		no	no	Developer	Extension of existing site
Strachur	4		no	no	ACHA	Former play area site
Sealladh Na Mara Ph3, Bowmore	20		no	no	Estate	Potential phase 3
Smiddy Court Ph3, Garelochhead	30		no	no	Developer	
Whyte Field, Port Ellen	20		no	no	Private	Possible S75 transfer
Geilston Farm, Cardross	40		no	no	Private	Local plan appeal
St Josephs, Helensburgh	18		no	no	Church	St Josephs, Helensburgh
Glenoran Road, Helensburgh	20		no	no	Developer	Persimmon Homes
Garage Site Taynuilt	12		no	no	Developer	
Soroba Valley, Oban	40		no	no	Developer	
Shillinghill, Tobermory	20		no	no	Developer	
Pipers Road, Cairnbaan	2		no	yes	ACHA	
Campbeltown Road, Tarbert	12		no	no	Developer	
Struthan Terrace, Tiree	6		no	no	ACHA	
Cnoc-na-faire, Port Ellen	10		no	no	ACHA	Feasibility required
Arrochar	20		no	no	Hotel Group	
Barmore Road, Tarbert	8		no	yes	Developer	
Glencruitten, Oban	400		no	no	Developer	zoned for housing, potential 30 unit first phase
Tweedmill, Oban	90		no	no	Council	
Ardentinny	5		no	no	Private	
Garage Site, Inveraray	15		no	no	Developer	
Scarinish, Tiree	12		no	yes	Developer	
Fairfield, Kilcreggan	15		no	no	Private	
Pulpit Hill, Oban	6		no	no	Developer	zoned for housing

Marine Site, Rosneath	40	no	no	Private	demand issues
Soroba, Oban	40	no	partial	Developer	zoned for housing
Bunnahabhainn, Islay	14	no	n/a	Developer	existing units available for refurbishment
St Brides Road, Rothesay	18	no	no	ACHA	demand issues
Keills, Islay	10	no	no	Estate	
Ballygrant	10	no	no	Estate	land and existing house option
Church Lane, Rothesay	10	no	no	ACHA	demand issues
Ardminish, Tarbert	4	no	no	Private	refurbishment
Baddens, Lochgilphead	50	no	yes	Developer	planning approved, demand issues
Minard	10	no	yes	Developer	
Rhu	30	no	no	Developer	
Lochgair	15	no	yes	Developer	
Whitehouse	10	no	yes	Private	
West Princes St., Helensburgh	3	no	yes	Private	
Dalmally	20	no	no	Developer	
Dunoon	2	no	yes	Developer	Pol Stewart/ houses complete

Council 'Retained Areas':-

Fladda, Luing	2	no	no	Council	Transfer map OL46 – feasibility to progress
Jarvisfield Road, Aros	4	no	no	Council	Transfer map OL133
Dunslema Court, Strone	6	no	no	Council	transfer map CL100
Massan View, Sandbank	40	no	no	Council	transfer map CL85
Spence Court, Dunoon	25	no	no	Council	With Fyne Homes?
Ferry Road, Rosneath	12	no	no	Council	transfer map LO26
Rockfield, Tobermory	20	no	no	Council	transfer map OL113
Java Houses, Craignure	10	no	no	Council	transfer map OL123
Camus Road, Dunbeg	5	no	no	Council	transfer map OL25 - common rights
Cruachan Cottages, Taynuilt	12	no	no	Council	transfer map OL94

Appendix 11 Stock Option Appraisals

Most of the property is likely to remain in good condition and in high demand, but changes in strategic objectives, demand for housing, or stock condition will require stock option appraisals on some assets. We may need to consider major investment, alternative uses, alternative management, redevelopment, or outright disposal.

a. Managing the process

The stock option appraisals will be led by the Investment and Regeneration Department. The four main geographic areas will be assessed for risk and any stock that has viability issues will be subject to an in-depth options appraisal

b. Sustainability Asset Matrix

The matrix has been developed to facilitate the assessment and identify those properties that present a sustainability risk. A report will be produced which looks at all the elements of the matrix and identifies any property that presents a risk to the business.

Each element of the matrix will be analysed for all stock and an average will be calculated. Any property with a score of the negative side of the average will be identified and if there are multiple negative scores that will lead to these properties being highlighted for further assessment.

c. Scoring Matrix – Sustainable Housing Criteria

The scoring matrix follows the criteria set out in table below:

Factor	How measured	Lowest Score Assessment	Highest Score Assessment	Calculating Score For Others
Demand	Average level of voids over last 5 years based on rent loss	Highest level of voids gets 0 points	Lowest level of voids gets 100 points	For each individual property calculate where it is in proportion to top and bottom scores and allocate points on a pro rata basis
Maintenance	Add cyclical maintenance and responsive maintenance to get a total maintenance cost for last 5 years and average this over 5 years	Highest maintenance cost gets 0 points	Lowest maintenance cost gets 100 points	For each individual property calculate where its 5 year average maintenance cost is in proportion to top and bottom scoring properties and allocate points on a pro rata basis
Income earning / rental capacity	Take annual rental for 2014-15 and express average of current rent arrears for last 5 years as a percentage of the rental due.	Highest percentage of income earning capacity gets 0 points	Lowest percentage of income earning capacity gets 0 points	For each individual property calculate percentage score and allocate points on a pro rata basis
Add together the total points scored				
Divide the total points scored by 3 to get a possible score out of a maximum of 100 points				
Input investment need cost per stock conditions survey - Future and Previous				
Divide investment need cost by points scored for each property to get the investment cost per point				
Sort and rank properties based on investment cost per point				
Review rank order and determine where lines for good/maintain and poor are drawn				

d. Sustainability Score

Each property will be allocated a summary sustainability score. It is envisaged that the report will be generated every 5 years to monitor any schemes that may be a risk to the business. It is envisaged that the report will be generated every 5 years to monitor any schemes that may be a risk to the business.

These categories can then be used a guide when considering long term investment:

Good – this property has limited risk factors and performs effectively. All planned investment based on condition can proceed.

Maintain – this property has a range of risks related to long term sustainability. This property will be maintained at SHQS but no major new investment will be made in this property.

Poor - refer for full options appraisal assessment.

e. Neighbourhood Analysis

In addition to an analysis of an individual property, the properties will be aggregated into neighbourhoods and these will be assessed in comparison with Argyll averages.

The outcome from such an analysis might lead to a plan being developed for neighbourhoods that are showing risk factors to their sustainability.

f. Option appraisals must consider the following aspects:

If more detailed option appraisals are required that they should give consideration to the following matters:

Subjective Analysis:

- Tenants Views – tenant survey
- Demographics and Future Long Term Demand
- Environmental Facilities
- Local knowledge
- Current strategies and policies
- Local authority

An options appraisal that finds the property remains a risk property or area may lead to the following:

- A consideration of alternative uses for the property. Each use will be subject to a cost benefit analysis.
- Consultation with tenants and residents to ensure that their comments are carefully considered as part of the decision making process.
- Parking provision and layout will be taken into account.
- Re-housing and compensating tenants for the loss of their home in line with compensation policy, where applicable.
- Consideration of offering the management of the property to another provider.
- Ensuring compliance with contractual and legal obligations under the transfer document.
- Consulting with the Scottish Government and local authority
- Where public funding was provided and disposal is considered that consideration of Disposal Clawback Agreement.

Appendix 12 Risk Register

	Risk areas/Risk identified	Likelihood of occurrence	Severity of impact	Overall or "gross" risk	Control procedure	Revised Likelihood of occurrence	Revised Severity of impact	Retained or "net" risk	Monitoring process	Responsibility	Review Period
1	Changes in Construction legislation	Moderate	Moderate	Medium	Membership of GWSF Construction Index Information updates Professional CPD training	Moderate	Minor	Low	Review at team meetings	Investment and Regeneration	Quarterly
2	Failure to deliver servicing obligations e.g. gas and solid fuel	Major	Major	high	Servicing Procedures, Monitoring and Reporting, Adequate Staff training	Moderate	Major	Medium	Bi-Monthly KPI report to Board, Weekly Database Report	Investment and Regeneration	Bi-monthly
3	Problems with Contractor performance	Major	Major	high	Policy and Procedures, standard contract documentation, Contract Management, appropriate project officer and external consultants, regular meetings, regular progress reports	Major	Major	Medium	Monthly progress, meetings, operational meetings as required, Monthly report to Board	Investment and Regeneration	Monthly

	Risk areas/Risk identified	Likelihood of occurrence	Severity of impact	Overall or "gross" risk	Control procedure	Revised Likelihood of occurrence	Revised Severity of impact	Retained or "net" risk	Monitoring process	Responsibility	Review Period
4	Lack of staff resources	Moderate	Major	Medium	Regular review of resources, agency staff or reallocation from other departments	Moderate	Moderate	Medium	Monthly checks	Investment and Regeneration	Monthly
5	Availability of Private Finance	Moderate	Major	Medium	Funding agreements with lenders, good relationship with funders, viable projects	Minor	Moderate	Low	Annual development programme	Investment and Regeneration/FIT	Annually
6	Availability of Scottish Government Housing Grant funding	Major	Major	high	Deliver good quality projects, develop projects that meet funding benchmarks, develop projects on own land, maintain good relationship with ABC and SG, involve regeneration staff in other dept tasks	Major	Moderate	Medium	Annual development programme	Investment and Regeneration	Annually

	Risk areas/Risk identified	Likelihood of occurrence	Severity of impact	Overall or "gross" risk	Control procedure	Revised Likelihood of occurrence	Revised Severity of impact	Retained or "net" risk	Monitoring process	Responsibility	Review Period
7	Cost over runs on contracts	Moderate	Moderate	Medium	Contract management, regular meetings, regular cost reports and reviews	Minor	Moderate	Low	Monthly Cost Reports	Investment and Regeneration	Monthly
8	Poor market conditions for contractors	Major	Major	high	Assessment of contractors before contract award, regular review of contracts, regular reports on financial position, appropriate valuation practice and professional support, portfolio meetings for contractors with multiple contracts	Moderate	Moderate	Medium	Regular finance health checks	Investment and Regeneration	Six monthly
9	Disturbance of asbestos	Moderate	Major	Medium	Asbestos management plan, asbestos register, development of availability of information on Academy	Moderate	Moderate	Medium	Annual review	Investment and Regeneration	Annually

	Risk areas/Risk identified	Likelihood of occurrence	Severity of impact	Overall or "gross" risk	Control procedure	Revised Likelihood of occurrence	Revised Severity of impact	Retained or "net" risk	Monitoring process	Responsibility	Review Period
10	Failure to meet SHQS or EESSH	Moderate	Major	Medium	Framework contracts, programme of stock condition surveys, identification of properties where exemption essential, additional contracts as required. Model energy efficiency measures	Minor	Major	Medium	Annual review	Investment and Regeneration	Annually
11	Owners not able to meet common repair costs	Major	Major	high	POWN procedures, early notification, access to PSHG, use of appropriate legal steps, liaison with factoring, work with ABC to negotiate the use of their enforcement powers	Major	Moderate	Medium	Annual review of procedure, contract reviews as required	Investment and Regeneration	Annually

	Risk areas/Risk identified	Likelihood of occurrence	Severity of impact	Overall or "gross" risk	Control procedure	Revised Likelihood of occurrence	Revised Severity of impact	Retained or "net" risk	Monitoring process	Responsibility	Review Period
12	Demographic changes impact on demand for stock	Moderate	Moderate	Medium	Review annual statistics, monitor housing demand, monitor void levels	Moderate	Minor	Low	Annual review	Investment and Regeneration	Annually
13	No Access issues - tenants	Moderate	Minor	Medium	No access procedure, liaison between I&R and HNS,	Minor	Minor	Low	Annual review	Investment and Regeneration	Annually

Appendix 13 Action Plan

Strategy Ref.	Specific Objective	Key Actions	Time Frame	Responsible
1.6	Strategic Objective - Financial process	Develop 5 year financial plans and service plans	May-15	Director of FIT
1.6	Strategic Objective - Customer Satisfaction	Targeted sample surveys on poorer results undertaken face to face	Jul-15	Director of HNS
1.6	Strategic Objective - Reduce Void Loss	Focus on analysing and developing void properties by reducing financial void loss and identifying a way forward for low demand properties	Aug-15	CEO
1.6	Strategic Objective - Charter	Develop programme of self- awareness with improvements aimed at performance, benchmarking and customer satisfaction level	Aug-15	All
1.6	Strategic Objective - Customer Satisfaction	Improving customer satisfaction levels, by targeting 16 to 34 year olds via social media. Options appraisal to be carried out.	Oct-15	Director of HNS
3.4	Adaptations	Centralise adaptation procedure	Oct-15	Director of I&R
1.6	Strategic Objective - Buy back property in shared property	Prepare report on the costs and benefits of restructuring stock to rationalise ownership in common blocks	Dec-15	Director of I&R
1.6	Strategic Objective - Office Environment	Working Group to agree any access and ergonomic upgrades	Dec-15	Director of HRCS
1.6	Strategic Objective - financial process	Develop an association wide joint procurement strategy	Dec-15	Director of FIT
6.4	Standard Specification	Commission review of Design brief	Dec-15	Director of I&R
8.1.3	Expenditure	Review the longer term investment in line with the recent business plan agreements with our lender.	Dec-15	Director of I&R/Director of FIT
1.6	Strategic Objective - Office Environment	Review options for future office development	Feb-16	Director of FIT
1.6	Strategic Objective - new funding streams	Review the potential for renewable installations, such as solar panels, that are funded by revenue grants	Mar-16	Director of I&R

Strategy Ref.	Specific Objective	Key Actions	Time Frame	Responsible
1.6	Strategic Objective - Housing Standards	Integrate the measure and costs of achieving the standards into our Asset Management Strategy for 2016 – 2020	Mar-16	Director of I&R
1.6	Strategic Objective - Reduce debt	Increase collection of sundry debt such as targeting rechargeable repair work and charges to owner occupiers for services undertaken during 2015/2016. Reduce debt by £50,000	Mar-16	Director of HNS
1.6	Strategic Objective - Financial process	Develop better understanding of Investment and Regeneration new projects in relation to the business plan	Mar-16	Director of FIT
1.6	Strategic Objective - SLA monitoring	Monitor Argyll Homes for All (AHFA) Service Level Agreement delivery to ACHA including the individual contracts	Mar-16	Director of I&R
2.5	Non housing stock	Amend residential database to remove non-housing uses	Mar-16	Director of FIT/Director of I&R
3.1	Repairs	Review targetting of pre-inspections	Mar-16	Director of I&R
3.3	Cyclical contractors	Review and retender as required annually	Mar-16	Director of I&R
3.3.6	Fire Alarm	Consolidate domestic and office contracts annually	Mar-16	Director of I&R
3.3.12	Smoke Detectors	Review maintenance regime	Mar-16	Director of I&R
3.3.18	Gutters cleaning	Review budget to shorten the cleaning cycle and consider as part of budget review.	Mar-16	Director of I&R
3.3.20	Electrical Periodic Inspections	Review the budget to shorten inspection cycle and consider as part of budget review.	Mar-16	Director of I&R
3.5	Stock condition and standard compliance	Door entry owner engagement and implementation	Mar-16	Director of I&R
3.5	Stock condition and standard compliance	Review energy measures for EESSH, including high cost, hard to treat and inconsistencies with neighbours	Mar-16	Director of I&R
3.5	Stock condition and standard compliance	Engage with owners for common works abeyances	Mar-16	Director of I&R
3.5	Stock condition and standard compliance	Liaise with ABC for grants and enforcement related to owners	Mar-16	Director of I&R
3.5	Stock condition and standard compliance	Engage with tenants for internal works abeyances	Mar-16	Director of I&R
3.5	Stock condition and standard	Develop property delivery plan based on condition priorities and reasonable	Mar-16	Director of I&R

	compliance	measures in EESSH.		
3.6	Planned condition replacements	Survey target major component replacements before proceeding with procurement.	Mar-16	Director of I&R
Strategy Ref.	Specific Objective	Key Actions	Time Frame	Responsible
3.8	Sheltered Housing	Review blocks to determine if any conversion or alterations improve based on trend analysis	Mar-16	Director of HNS
3.8	Sheltered Housing	Review the use of ancillary spaces to ensure they meet the needs of the residents.	Mar-16	Director of HNS
3.9	Travelling Person Sites	Survey and determine compliance with TP standard. Develop action plan as required	Mar-16	Director of I&R
4.2	Low Demand	Develop an analysis method to determine whether we should invest in property any significant sums	Mar-16	Director of I&R/Director of FIT/Director of HNS
4.2	Low Demand	Review our stock in areas of low demand and high levels of void and agree action plan	Mar-16	Director of I&R/Director of FIT/Director of HNS
4.2	New Build	Review opportunities for new build in current land portfolio	Mar-16	Director of I&R
5.8	New Build	Survey all new tenants in new build developments and improve future developments	Mar-16	Director of I&R
6.2	Legislation	Develop new Building Procurement Policy	Mar-16	Director of I&R
7.1	Asset Options Appraisals	Develop assessment methodology for options appraisal	Mar-16	Director of I&R
11.1	Key strategies and policies	Review programme of policy development	Mar-16	Director of I&R
15.2	Tenant Information	Review repair satisfaction methods	Mar-16	Director of HNS/Director of I&R
1.6	Strategic Objective - Rent	Rent rationalisation - Options appraisal	Apr-16	CEO
3.2.2	Utilities	Review supply company options	Sep-16	Director of FIT/Director of I&R
3.3.4	Gas servicing	Consider other measures for gas 'no access'	Sep-16	Director of I&R
3.5	Stock condition and standard compliance	Commission external stock condition survey	Sep-16	Director of I&R
3.10	Related Assets	Prepare planned maintenance programme	Sep-16	Director of I&R
12.1	Risk	Review risk register, annually	Sep-16	Director of I&R

	Management			
14.4	IT resources	Review alternative Asset Management Systems	Mar-17	Director of FIT/Director of I&R
16	Monitoring and Review	Annual review of AMS	Sep-16	Director of I&R
Strategy Ref.	Specific Objective	Key Actions	Time Frame	Responsible
3.2.1	Repairs	Review percentage emergency repairs	Dec-16	Director of HNS/Director of I&R
3.5	Stock condition and standard compliance	Review target measures and related budgets when new stock condition data available	Dec-16	Director of I&R
1.6	Strategic Objective - New Build	Agree development programme for 2018-21 by March 2017	Mar-17	Director of I&R
3.2.2	Voids	Monitoring new void targets	Mar-17	Director of HNS
3.3.2	External painting	Develop planned programme for closes and internal sheltered complexes	Mar-17	Director of I&R
3.8	Sheltered Housing	Survey ancillary spaces, such as offices, guest rooms, communal rooms and laundries and develop long term planned maintenance programmes.	Mar-17	Director of I&R
4.2	New Build	Target range of locations for new housing with due regard to higher pressure area status for 2018/20	Mar-17	Director of I&R
14.4	IT resources	Develop tablet technology for data capture	Mar-17	Director of FIT/Director of I&R
1.6	Strategic Objective - New Build	Deliver the development programme 2015-18	Mar-18	Director of I&R
1.6	Strategic Objective - New Build	Secure grant and private finance for 2018-21 programme	Mar-18	Director of I&R
3.11	Office	Survey and prepare planned maintenance programme	Mar-18	Director of I&R
3.11	Leased property	Survey and prepare planned maintenance programme	Mar-18	Director of I&R
5.3	New Build	Explore opportunities for collaborative working on development projects	Mar-18	Director of I&R
1.6	Strategic Objective - Housing Standards	Maintain Scottish Housing Quality Standard compliance between 2016 – 2020	Mar-20	Director of I&R
1.6	Strategic Objective - new funding streams	Identify potential funding streams matched to future service delivery as require	Mar-20	Director of FIT/Director of HNS
16	Monitoring and	Review every 5 years	Sep-20	Director of I&R

	Review			
1.6	Strategic Objective - Housing Standards	Deliver Energy Efficiency Social Standard Housing	Dec-20	Director of I&R