



Trust Housing Association Limited

Standard Delivery Plan,
Delivering the Scottish Housing Quality Standard
2005-2015

April 2005

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Appendix A i), ii) & iii); Baseline Survey Information.

Appendix 1; SHQS Self-Certification Data Sheet & Appendix.

Appendix 2; SHQS Baseline Pro forma.

Appendix 3; SHQS Capital Investment Requirement.

Appendix 3B; SHQS Capital Investment Requirement Assumptions.

Appendix 4; SHQS Projected Position Statement, Implementation.

Appendix 5; SHQS Assumptions.

Appendix 6; SHQS Self-Certification Annex 1 Data Sheets 1 & 3

Introduction and Strategic Context

- 1.1. Trust Housing Association Limited (formerly Kirk Care Housing Association) was formed in 1973. Now operating in 22 of the 32 local authority areas of Scotland, the Association has, in the main, provided purpose-built developments providing homes for tenants over 60 years of age in the form of amenity and sheltered accommodation. As at the end of March 2005 the Association has 2407 units, exclusive of tied accommodation occupied by sheltered housing co-ordinators.
- 1.2. Exceptions to the general “purpose built” trend outlined above have been the provision of family accommodation (mainly but not exclusively on the Island of Arran), the transfer in 2000 of former North Ayrshire Council stock on the Island of Arran, and
- two Georgian terraced houses in Crown Terrace, Glasgow now providing 20 sheltered homes
 - 21 amenity cottages in Edinburgh acquired in 1996, and
 - two detached properties in Dunblane and Laxdale.
- 1.3. As a result of significant development activity during the period 1980 and 1985, it can be seen from the table below that approximately 37% of the stock is between 21 and 25 years old, with approximately 75% falling in the 11-25 years old band.

Age in Years	0-5	6-10	11-15	16-20	21-25	26-30	>30
Approx % of Units	5%	11.5%	18%	20%	37%	5.5%	3%

- 1.4 Given the age profile of the stock, the generally traditional construction methods used and robust cyclical/planned maintenance and major repair programmes implemented throughout the life of the stock, it is perhaps not surprising that the investment required to achieve and maintain compliance with the Standard is relatively modest.
- 1.5 At this stage in the production of the Association’s Standard Delivery Plan (SDP), it is not anticipated that pockets of existing low demand housing are significant enough to impact on investment decisions relative to the plan. The reclassification from April 2005 of low demand housing requested by Communities Scotland is currently being undertaken, and the SDP will be reviewed in light of any changes proposed. Similarly, the specific locations and the relatively “stand-alone” nature of Trust stock means that issues of area/wider regeneration initiatives are currently perceived to have little or no impact on the investment decisions required. Again, this is something which will be kept under review.
- 1.6 An area of “threat” which has been considered by the Association in the compilation of this first SDP is the potential impact on our primary client group and service delivery priorities brought about by Supporting People (SP) generally and Council SP Service Reviews specifically. In the vast majority of cases, Councils have not yet embarked on Service Reviews - indeed, the timescale within which they are required to complete

reviews has recently been extended from March 2006 to March 2007. In a “worst case” context, it is believed that Association stock with “external” stair access to first floor properties is most at risk from failing a “fit for purpose” assessment. Even if such developments are affected by this potential challenge, it is felt that the stock will remain viable, even if it has to be let to a similar client group (but reclassified to amenity) or even a different client group.

- 1.7 In relation to the SHQS and SDP, the potentially “at risk” developments noted in 1.6 above are some of those which fail the Standard under Safety & Security, and more specifically due to the lack of controlled access/entry systems serving first floor flats.
- 1.8 In view of the fairly limited formal tenant participation structures presently in place, with regional tenant fora only fairly recently established, tenant participation in respect of the initial development of the Standard Delivery Plan has been limited to three meetings at three developments during February and March 2005. However as noted in 5.2 below, the Association intends to more fully publicise to tenants the Scottish Housing Quality Standard, and more specifically its Standard Delivery Plan. The Association will consider any representations received and review the Plan in light of these.

2 Base Line Survey Information

2.1 The primary source of information used for assessing compliance with the Standard was the Association's annual Stock Condition Surveys carried out by Property Officers. The surveys relating to the stock in the North and East of the country were 12 months old or less. Survey information relating to the stock in the West of Scotland was in the main carried out in 2003 with some updating in 2004. During 2003 and 2004 100% of developments were subject to condition survey inspection. The format of the surveys did not wholly address all the issues/components covered by the standard, so the information was supplemented by

- Information gathered from void property inspections
- Specific site visits to developments, and
- Use of "as built" drawings/planned maintenance records.

2.2 The format of both the Annual Condition Survey report form and Void Property Inspection form have now been amended to include all appropriate elements covered by the Standard, and will be used during 2005 to validate the information collected thus far.

2.3 Specifically, initial survey data has been sourced as follows,

- Free from Disrepair, Primary Building Elements; Stock Condition Survey
- Free from Disrepair; Secondary Elements; Stock Condition Survey, supplemented by specific inspections in relation to drying areas, external lighting, refuse chutes and door entry systems.
- Energy Efficiency, Cavity Wall Insulation; As built drawings.
- Energy Efficiency; Loft Insulation; As built drawings.
- Energy Efficiency; Insulation to pipework and storage tanks; Site inspection and % void inspection.
- Full Central Heating; As built drawings
- Boiler Efficiency Ratings; by the Association's heating contractor during annual boiler maintenance and safety inspections during 2004.
- Age of Electric Storage Heating; Planned maintenance records
- SAP Ratings; by independent consultant.
- Modern Facilities & Services, Bathroom Condition; Review of void inspections, planned maintenance records and sample inspections
- Modern Facilities & Services, Kitchen Condition; review of void inspections and planned maintenance records
- Modern Facilities & Services, Kitchen Facilities; As built drawings and sample inspections at all developments.
- Healthy, Safe & Secure, Healthy; As built drawings and review of void inspections.
- Healthy, Safe & Secure, Safe; As built drawings, stock condition survey, site visits (relating to drying areas, chutes and external lighting), and annual gas/lift maintenance and safety inspection records. Electrical "Periodic Inspection" reports on void properties.
- Healthy, Safe & Secure, Secure; As built drawings followed up by specific site inspection of potential failure locations.

3 Scale and Profile of Properties Failing the Standard

- 3.1 As can be seen from the attached Baseline Survey information (Appendix a) i, ii, & iii) the areas of failure are concentrated in four specific elements, namely
- Roof insulation < 100mm; four developments (Alloa, West Lodge Gdns; East Calder; Galashiels & Loanhead) built between 1980-84, 148 units*.
 - Inefficient Storage Heaters; four developments (Stornoway, Matheson Rd; Port Ellen; Portree, Shulishader Beag & Thornhill), built between 1981-85, 96 units*.
 - SAP Rating < 50; three developments (Chirnside; Glasgow, Crown Terrace & Mull, Tobermory), 73 units*.
 - (In) secure; four developments, 42 units requiring the provision of controlled access (door entry systems).

Note: Unit numbers marked thus * include co-ordinators tied accommodation.

- 3.2 Based on the above, the percentage of Association stock failing the SHQS at 31st March 2005 is 14.77%.

- 3.3 This figure includes Crown Terrace, 21 of the 73 units which have a SAP rating falling below 50. In the case of Crown Terrace, the SAP rating is 40. This development consists of two linked Georgian townhouses converted to sheltered accommodation in 1981. All the flats have large, single glazed windows and high ceilings. Initial indications are that the only two elements which could be upgraded to improve the SAP rating would be the replacement of existing internal dry lining with a more thermally efficient finish and the replacement of the existing single glazed windows with double or even triple glazing. The replacement of internal dry lining would create major upheaval to the development's elderly residents, could involve decanting and might be difficult to achieve in areas of decorative cornices that must not be damaged. The Crown Terrace buildings are also listed, and previous experience has shown that Planners are not keen to permit replacement of windows other than on a like for like basis. For the purposes of this initial Standard Delivery Plan, it is proposed that, under SHQS Delivery Plan Guidance paras 2.6 & 4.8, the Crown Terrace properties should be regarded as meeting the standard, as they do so in every other respect. During 2005, further, more detailed investigation will be carried out into the attitude of the local Planning Department to the question of window replacement and to the availability and cost of installing improved internal thermally efficient wall finishes to the flats as well as anticipated disruption to tenants.

- 3.4 It should be noted too that a number of properties would have failed in respect of the sufficient power outlets requirement (6 or more sockets), however it proved possible to remedy all these potential failures during financial year 2004-05.

4. Financial Analysis

- 4.1 It should be noted from the attached SHQS Appendix 3, that the sum of money to ensure that Association stock failing the Standard is brought up to standard is relatively modest. Indeed, the sums identified in 2005/06 – 2008/09 would have been allocated for expenditure under the Associations Major Repair expenditure even without a requirement to meet the Standard.
- 4.2 The Association requires to undertake a full investment appraisal of its stock, taking into account issues outwith the SHQS and this process may of itself require financial projections to be reviewed. However it is not anticipated that the Association will require to make any adjustments to current proposals in relation to additional borrowing, refinancing etc specifically to meet the Standard.
- 4.3 It should be noted that the information contained in Appendix 3, whilst containing the anticipated costs in remedying existing failures against the Standard, also includes estimates relating to the expenditure required to maintain compliance. It will not be possible to provide a more accurate assessment of the finances required in this regard until the Association's replacement Planned Maintenance software is fully operational and financial projections reviewed during 2005. In arriving at these estimates the factors/assumptions which have been used are set out in Appendix 3 B
- 4.4 It must be stressed however that, at this stage, expenditure significantly beyond levels which the Association has been investing in planned/cyclical maintenance and major repairs is not anticipated. The Standard Delivery Plan and associated financial projections will be reviewed in light of more accurate and updated planned/cyclical maintenance information becoming available.

5. The Operational Plan

5.1 The following table sets out the Association's timetable for delivery.

Development	Work Element	Number of Houses	Year Work to be Completed	Funding Source
Alloa – West Lodge Gardens	Upgrade roof insulation	47	2005/06	Energy efficiency grant funding and Reserves
East Calder	Upgrade roof insulation	26	2005/06	Energy efficiency grant funding and Reserves
Galashiels	Upgrade roof insulation	40	2005/06	Energy efficiency grant funding and Reserves
Loanhead	Upgrade roof insulation	35	2005/06	Energy efficiency grant funding and Reserves
Portree Shulishader Beag	Replace storage heaters	25	2005/06	Major Repairs Fund
Stornoway Matheson Rd	Replace storage heaters	30	2006/07	Major Repairs Fund
Tobermory	Upgrade loft and wall insulation	26	2006/07	Energy efficiency grant funding and Reserves
Chirnside	Upgrade loft and wall insulation	26	2006/07	Energy efficiency grant funding and Reserves
Port Ellen	Replace storage heaters	16	2007/08	Major Repairs Fund
Thornhill	Replace storage heaters	25	2008/09	Major Repairs Fund
Port Ellen	Install security door and door entry system	10	2009/10	Major Repairs & Equipment Replacement Fund
Bowmore	Install security door and door entry system	12	2009/10	Major Repairs & Equipment Replacement Fund
Darvel	Install security door and door entry system	10	2010/11	Major Repairs & Equipment Replacement Fund
Carmunock	Install security door and door entry system	10	2010/11	Major Repairs & Equipment Replacement Fund
Crown Terrace	Possible upgrading of thermal insulation	21	Not Known	Not Known

5.3As noted in 1.8 above, the Association proposes to embark on a wider tenant information and consultation exercise, probably through the issue of a special newsletter, advising tenants of the SHQS and the Delivery Plan. The Plan will be revised in light of relevant feedback from this process and indeed from any other appropriate sources.

6. Local Milestones

6.1 Key milestones have been identified as;

- Completion by March 2006, of loft insulation to current Building Regulations, at the four developments failing this element.
- Recommendations by March 2006, in relation to SAP rating achievability at Crown Terrace.
- Achievement by March 2007 of the failing SAP ratings at Tobermory and Chirnside.
- Replacement of all “inefficient” storage heaters at four developments, commencing in 2005 and to be completed by March 2009.
- The installation of secure door entry systems at 4 developments where in four developments, the upper flats are accessed via external stairs. This to be achieved between April 2009 and March 2011.

6.2 In addition to the above, a review of the financial projections made in respect of maintaining compliance with SHQS during 2005, with the assistance of the replacement Planned Maintenance software package, will allow the current investment profile to be validated/revised as required.

7. Risk Assessment

7.1 There are a number of possible risks associated with and/or may impact on the implementation of the Association's Standard Delivery Plan. The most significant of these are set out below.

- a) SAP Ratings; There may not be agreement on the Association's initial view that it is not technically feasible, without disproportionate costs, to bring properties failing at Crown Terrace, up to the minimum thermal efficiency standard.
- b) Planned/Cyclical Maintenance and major repairs; Once fully assessed and costed, the Association's Planned/Cyclical Maintenance and major repair expenditure may indicate a higher level of expenditure required than currently anticipated, to maintain ongoing compliance SHQS and the Association's expectations for the stock.
- c) Supporting People Reviews; The number of properties/developments which authorities may regard as "not fit for purpose" in respect of continuing delivery of housing support services, and in which the Association may wish to invest to remedy this, is essentially unknown, as is the level of any investment which may be required. Supporting People reviews may or may not therefore create investment issues for the Association.

7.2 Additional risks, although perceived to be less significant than those mentioned above, are

- a) Any significant reductions in demand for particular developments. Improved housing support services appear to have stabilised reducing demand in some of the Association's more rural developments. Reduction/removal of housing support funding, and/or a re-establishment of reducing demand could require the Association to review investment decisions.
- b) Actual water testing for the presence of lead in the water supply might highlight the presence of lead piping, which "as built" drawings have failed to identify.

8. The Investment Plan

8.1 The plan of works required over the next ten years to meet the Standard in respect of current failures is set out below and also in attached appendices (Appendices 1, 3, & 5).

Development	Work Element	Number of Houses	Year Work to be Completed	Estimated Cost (ex VAT & fees)
Alloa – West Lodge Gardens	Upgrade roof & wall insulation	47	2005/06	£4000.00
East Calder	Upgrade roof & wall insulation	26	2005/06	£2500.00
Galashiels	Upgrade roof & wall insulation	40	2005/06	£4000.00
Loanhead	Upgrade roof & wall insulation	35	2005/06	£3500.00
Portree Shulishader Beag	Replace storage heaters	25	2005/06	£54000.00
Stornoway Matheson Rd	Replace storage heaters	30	2006/07	£78300.00
Tobermory	Upgrade Loft and introduce cavity wall insulation	26	2006/07	£3500.00
Chirnside	Upgrade Loft and introduce cavity wall insulation	26	2006/07	£3500.00
Port Ellen	Replace storage heaters	16	2007/08	£43200.00
Thornhill	Replace storage heaters	25	2008/09	£64800.00
Port Ellen	Install security door and door entry system	10	2009/10	£20000.00
Bowmore	Install security door and door entry system	12	2009/10	£24000.00
Darvel	Install security door and door entry system	10	2010/11	£20000.00
Carmunock	Install security door and door entry system	10	2010/11	£20000.00
Crown Terrace	Possible upgrading of thermal insulation	21	Not yet known	Not yet known

The projected overall expenditure both in relation to SHQS current failures, maintaining SHQS compliance and non-SHQS related expenditure is set out in Appendix 6, SHQS Self-Certification Annex 1 Data Sheets 1 & 3.