



# KINGDOM

Group

MORE THAN A HOME



**KINGDOM**  
Housing Association



**KINGDOM**  
Initiatives

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## Asset Management Strategy

Our asset management strategy identifies how we will maintain and improve our housing assets. We also have plans to expand the maintenance services we provide through our in house maintenance operations.



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# 1. Introduction

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We have defined Strategic Asset Management as the strategy which will ensure we manage, maintain and invest in our property assets to ensure that our properties provide attractive, good quality homes for our residents and future customers, at an affordable cost to them and us. We also want to ensure our homes and other property assets are in the right location and are fit for purpose.

For Kingdom, the above definition reflects the process we apply to ensure that the assets we need to operate our business are managed effectively, provide value for money, support growth and diversity and are sustainable into the future.

In addition to the property assets, we also recognise financial resources, staff, systems and processes as organisational assets.

The asset management strategy recognises that effective maintenance is essential to ensure our properties continue to meet housing needs and remain sustainable in the future. Various asset

management procedures and processes are in place to achieve this, including the following:

- Planned maintenance programmes;
- Cyclical repairs programmes;
- Reactive maintenance policy and procedures;
- Voids procedures;
- Response targets and quality standards;
- Health and safety procedures.



## 2. Aims & Objectives

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Through our asset management strategy, we make a contribution to our strategic objectives and we are committed to ensuring the following:

- Recognition of our customer needs;
- Customer satisfaction;
- Quality standards;
- Suitability of purpose;
- Sustainability;
- Financial viability, affordability and value for money;
- Delivering added value through contributing to our community benefits strategy, where possible.

## 3. Statement Of Intent

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The asset management strategy is intended to cover both Kingdom Housing Association Ltd (KHA) and, where applicable, Kingdom Initiatives Ltd (KI), a wholly owned subsidiary of Kingdom Housing Association Ltd.

The Asset Management Strategy aims to ensure that our properties provide good quality homes and environments for our tenants that are well maintained to maximise their life and to protect the investment in the properties.

Our stock will be regularly assessed to ensure it meets our business needs.

## 4. General Principles

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To consult with tenants and residents, keeping them updated on forthcoming programmes of works and to incorporate tenant choice wherever possible as part of the replacement programmes.

To provide a planned and cyclical maintenance programme and undertake improvement works and an adaptations service in a professional and cost effective manner.

To ensure compliance with all relevant legislation and regulations and to maintain the stock in accordance with the landlord responsibilities set out in the tenancy agreements.

To maintain the Association's properties in a good, lettable standard at all times.

To undertake, wherever possible, and where funding is available, the incorporation of innovation and improvements as part of our programmes that provide a long term benefit to our tenants and the environment, especially those which reduce running costs or improve the quality of life for residents.

To ensure that the works carried out are undertaken effectively and efficiently in compliance with recognised good practice.

To reduce the amount of ad-hoc major repairs and routine maintenance through a planned maintenance approach.

To undertake regular stock condition surveys and inspections and maintain updated life cycle costing programmes for all our properties.

To undertake where necessary, risk management appraisals, value management and cost benefit analysis in respect of identified and planned works.

To report regularly to the Board of Management, on planned programmes, progress, spend, costs and other relevant issues.

Where we lease properties or manage a development, based on private residential or short assured tenancies, the relevant works will be undertaken in accordance with the terms of the lease or the relevant asset management arrangements.

Where other owners' properties are part of a mixed tenure project, where we own properties, we will look to optimise recovery of other owners' costs which are attributable, as part of any works we undertake.

Regular stock reviews will be undertaken and where it is felt to be in our best interests, properties may be remodelled or assets may be disposed.



## 5. Customer Profiling & Stakeholders

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We recognise that there are a number of key stakeholders in relation to our asset management strategy. These include:

- Residents, service users, local stakeholders and the wider community;
- Our Board of Management, Directors and staff;
- Funders and lenders;
- The Scottish Housing Regulator and other regulators;
- Partners, such as the local authority, contractors, others RSLs, agencies and community groups.

## 6. Compliance With Standards

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As a registered social landlord, KHA will comply with the regulatory requirements of the Scottish Housing Regulator (SHR). The asset management strategy has been guided by the SHR recommended practice for Strategic Asset Management (August 2012).

Asset Management is a key requirement of performance standards for housing associations. Implementation of the asset management strategy will ensure compliance with a range of performance standards, including the following:

- Governance and financial management;
- Disposals guidance;
- Service delivery and communication;
- Void management;
- Repairs;
- Stock management;
- Life cycle maintenance;
- Adaptations.

### Scottish Social Housing Charter

The Scottish Social Housing Charter sets the standards and outcomes that all social landlords should aim to achieve when performing their housing activities. The asset management strategy will contribute towards this aim. Compliance with statutory obligations and health and safety requirements is reflected in our cyclical and planned maintenance programmes and processes.

## 7. The Planning Approach

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Our short to medium term cyclical and planned maintenance programmes are recognised in our 5 year plans. Our ongoing planned maintenance and improvement programmes are included as part of our 30 year business and financial plans.

Component accounting recognises planned maintenance replacements and this process is also reflected in our financial plans.

As part of our planning processes it is essential to have good information available to inform our plans in the asset management strategy.

We have detailed information available on our stock and our tenants/residents and this information is analysed to ensure we deliver high quality services.

Continuous improvement is an approach applied as part of our service delivery objectives.

Performance is monitored and regularly reported to senior management, our Board of Management / Board of Directors and our customers. The reporting process allows us to control costs and identify any trends which require intervention or can impact on the planning process.

Based on the above planning approach we can ensure our maintenance plans are reflected in our annual budgets, our medium term plans and our long term financial projections.



## 8. Funding, Financial Plans & Value For Money

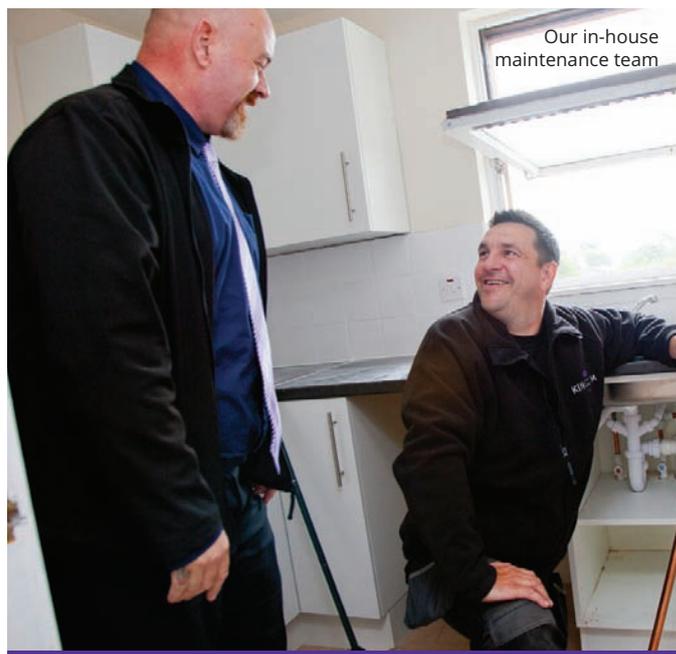
The planned and cyclical maintenance programmes will be funded through the rental income and from provisions set aside for these purposes.

Improvement works to housing will be funded through budgeted expenditure or through grant income where applicable. The rent for the property will be reassessed in accordance with our rent policies, to reflect the improvements carried out.

Improvement works to non housing assets will be funded by us through budgeted expenditure.

Our corporate business and financial plans fully recognise our asset management proposals and plans.

Value for money assessments aim to achieve the optimum balance of both cost and quality.



## 9. Stock Profile

The majority of our housing stock has been developed by Kingdom, since 1986, through new build development, new stock purchases and comprehensive rehabilitation or conversion programmes. In addition to the above, some stock has been purchased from private landlords and through the Mortgage to Rent Scheme.

The following tables provide more detail on our stock profile. All statistics are as at 31 March 2018, current information can be produced from our asset management records, if required. The housing statistics will be updated in this strategy on an annual basis.

Our rented housing stock is located in the following geographic areas:

Local Authority Area	No. of Properties
Fife	3,967
Perth & Kinross	68
Falkirk	76
Clackmannanshire	69
<b>Total</b>	<b>4,180</b>



Tenure	No. of Properties
Social Rented *	3,571
Staff Bases/Non Housing	6
Lead Tenancies (Rented) *	62
Mid Market Rent *	382
Mid Market Rent (Leased from others) *	115
Leased Self Contained Properties *	31
Rented & Leased Non-Self Contained Properties *	11
Shared Ownership	565
Shared Equity	55
Improvement for Sale	34
Other Sold (PSR)	16
Kingdom Initiatives Rented *	8
Kingdom Initiatives for Sale	31
<b>Total</b>	<b>4,887</b>
<b>(Note * = the 4,180 rented units shown in the table above)</b> Numbers shown above may not reconcile exactly with stock numbers shown in our financial plans and forecasts due to different base dates being used.	

Since 1986, we have developed or acquired 4,887 properties, for a range of tenures, shown below:

Type	No. of Properties
Solar Thermal Panels	301
Solar Photo Voltaic Panels	317
Combined Heat & Power Systems	10
Air Source Heat Pump	3
Mechanical Ventilation & Heat Recovery Systems	67
<b>Total</b>	<b>698</b>

We have installed renewable technologies into some of our housing stock, as shown in this table:

Non Housing Assets
<b>Head Office:</b> Saltire Centre, Glenrothes
<b>Sub Office:</b> Natal Place, Cowdenbeath
<b>Sub Office:</b> James Street, Dunfermline
<b>Works Depot:</b> Boston Road, Glenrothes
<b>Leased Office:</b> BRAG Centre, Crosshill



## 10. Scottish Housing Quality Standard (SHQS)

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The Scottish Housing Quality Standard (SHQS) was introduced in February 2004 and is the Scottish Government's principal measure of housing quality in Scotland.

SHQS Compliance was required by April 2015, with the exception of any abeyances and exemptions. We achieved full compliance of all properties by the due date with the exception of allowable exemptions and abeyances, we regularly monitor our properties to ensure continued compliance.

## 11. Energy Efficiency Standard For Social Housing

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The Energy Efficiency Standard for Social Housing (EESH) was launched by the Scottish Government in March 2014. The standard sets minimum energy ratings for social housing stock to achieve by 31 December 2020. The standards are based on target minimum energy ratings that vary dependent upon the dwelling type and the fuel type used to heat it.

At the end of March 2018, 98.2% of our stock meets the standard, during 2018/19 we plan to introduce further improvement works to enable the remaining properties to pass, barring tenant refusal or other issues out with our control, which may result in abeyances or exemptions.

## 12. Risk Assessment

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Strategic risks, associated with asset management are assessed as part of our business planning process and risk registers are reviewed in accordance with our risk management policy, to ensure we have a good understanding of actual and potential risks which could impact on our asset management strategy.

Our housing stock is relatively new in comparison to some other landlords, it has been built to high standards and is well maintained, therefore when identifying and assessing asset management risks,

we take a proportionate approach, which reflects the age, type and condition of our assets.

Notwithstanding the above, there will be unforeseeable and unavoidable events which could occur due to external factors. Examples of risks which could fall into this category might include financial factors relating to maintenance cost inflation, health and safety incidents, environmental and climate change conditions such as flash floods and other economic conditions which result in an unexpected risk. To minimise the impact of such risks we apply management monitoring processes and have business continuity plans in place.

## 13. Asset Disposal

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Where it is assessed as being in the best interests of Kingdom, arrangements will be considered for the disposal of assets.



## 14. Sustainability & Energy Efficiency

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Sustainability is at the core of all Kingdom's strategies, policies and procedures and the asset management strategy has been drawn up to ensure Kingdom's properties continue to meet the needs and standards required by our tenants / residents and other customers, both now and in the future.

Sustainability encompasses a wide range of factors and covers various activities. The asset management strategy recognises Sustainability in our approach through:

- Sustaining tenancies, through the provision of affordable, well designed, maintained and managed homes;
- Maximise the life cycles of our property assets, through well planned maintenance processes and programmes;
- Well managed and maintained housing estates;
- Property improvements which extend the life of our assets and add value;
- Adapting properties to meet tenants / residents particular needs;
- Environmental standards and energy efficiency improvements which make a positive contribution to climate change objectives and address fuel poverty.

## 15. Summary Of Priorities For 2018/19 Onwards

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- To continue to plan and implement a programme of improvement measures to ensure compliance with the new EESSH before the target date;
- To ensure we continue to upgrade properties to comply with the SHQS requirements where change of circumstances allow for properties that were previously abeyances;
- To meet or exceed our target response times;
- To investigate the feasibility and prepare a business case for providing, through Kingdom Initiatives, a chargeable day-to-day and emergency repairs service to sharing and other owners in mixed tenure developments and to consider other options to expand the services available to our customers;

- To continue to review processes and procedures to promote customer engagement and improve customer satisfaction levels through all aspects of the services provided.
- Identifying and implementing process improvements to eliminate waste and duplication and increase efficiencies.

## 16. Contacts

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If you need this publication in larger print, audio form, Braille, or in another language, please contact our office and we will try to help you.



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