Langstane Housing Association

Asset Management Strategy

2024 – 2029

Contents

1. Introduction

The Langstane Group has operated since 1977 and was built on the understanding that providing someone with a safe, secure, warm and well-maintained home could change their life. That desire to change lives underpins our mission and is the foundation of our Business Plan and all the strategies that support it.

The Langstane Group is comprised of Langstane Housing Association and three subsidiaries:

- Langstane Property Limited – our private landlord subsidiary managing mid-market properties.
- Langstane Maintenance Limited – a currently dormant subsidiary set up with the potential to be the home for Langstane's in-house DLO in the future.
- Langstane Developments Limited – a currently dormant subsidiary set up with the potential to be Langstane's development company in the future.

The Group achieves its mission by ensuring that every part of the organisation strives to achieve our vision and we do this by ensuring that we target investment on the right priorities over the five key areas of our business.

To achieve our Business Plan we must have a clear strategy for managing our properties. 'Our Homes' are our most valuable asset. The majority of our activities – repairs, maintenance, loan repayments, staff costs and office overheads – are dependant on the rental income generated by our properties and so it is vital that their long-term viability is sustained in order for the organisation to remain financially strong.

This Strategy considers the property-related challenges – internal and external – that Langstane will face over the coming 5 years and beyond and sets out how we will respond, in the form of four ambitions:

By 2029:

1. **We will be actively future-proofing our property portfolio to ensure it is resilient**
2. **We will be visibly demonstrating our commitment to achieving net zero / decarbonisation by 2045**
3. **We will be continuing to ensure the safety of our homes and communities**
4. **We will be delivering a repairs and maintenance service**

mission:

"provide homes and services that make a positive difference to people's lives"

vision:

"empower our people, customers and communities to be the best they can be"

Our five key business areas:

- ✓ **Our Customers**
- ✓ **Our Homes**
- ✓ **Our People**
- ✓ **Our Organisation**
- ✓ **Our Communities**

that is modern, proactive and professional and offers an excellent customer experience

We are presenting an ambitious Strategy and are focussed on delivery but with the caveat that substantial levels of funding will be required, particularly in relation to Net Zero ambitions. It will not be possible for Langstane to fund this level of work from rental income alone and so external funding, including grants, will be required for full delivery of the Strategy.

2. What we have achieved so far

Our previous Strategy ran from 2016 – 2021 with the key aims of understanding the resilience of our stock portfolio; reviewing our approach to procurement and value for money; and focusing on our customers.

We made good progress against our action plan:

- ✓ We implemented our approach to strategic asset management.
- ✓ We developed a Langstane Standard to set a minimum specification for our properties.
- ✓ We carried out in house and external stock condition surveys and incorporated survey information into our electronic stock condition database.
- ✓ We completely reviewed our Procurement Strategy, Policy and procedures.
- ✓ We disposed of three vacant buildings that were identified as surplus to requirements.
- ✓ We introduced a self referral scheme for minor adaptations to reduce waiting times.
- ✓ We created a dedicated property compliance / tenant safety team.
- ✓ We improved the information we provide on tenant safety on our website and created a suite of new tenant safety leaflets.
- ✓ We revised our rent setting approach to ensure the affordability of our homes.
- ✓ We published our Development Strategy.
- ✓ We published our Sustainability Strategy.

Alongside these achievements we combined our reactive repairs, voids and planned maintenance services into one directorate to promote more joined up thinking and set up a dedicated Customer Service Team who, amongst other tasks, deal with repairs calls at first point of contact.

This Strategy builds on the foundations that have been created over the past five years, but in the context of a rapidly changing and increasingly complex social housing environment with new and evolving challenges that will require innovative and agile responses.

3. Horizon scanning

Langstane operates in an increasingly complex environment with influences from a range of stakeholders including Government, our Regulator, funders, and current and prospective tenants. Set out below are some of the key influences, many of which are interlinked, that will impact on our approach to managing our assets through the life of this Strategy and beyond.

Climate change

By 2050, if emissions continue to rise, we will see hotter, drier summers and warmer, wetter winters with increased frequency of weather extremes such as storms. The change in the climate will impact on the built environment:

> Increased flood risk in winter

> Increased drought risk in summer

> Increased risk of storm damage

> Risk of homes overheating

> Increased risk of climate-related failure of power systems

It is essential that we contribute to actions to reduce emissions and limit the climate change impact but that we also take potential climate related risks into account in the design of new homes and the maintenance and retrofit of existing homes.

Housing to 2040

This ambitious Scottish Government strategy sets the vision for what housing in Scotland in 2040 will look like. It covers a wide variety of topics and will undoubtedly have a large influence over Langstane's approach to asset management in the future. The strategy proposes:

> The delivery of 110,000 affordable homes by 2032

> A focus on creating quality places and 20-minute neighbourhoods.

> An aim to give everyone access to a home that is affordable, regardless of tenure.

> An ambition for Scotland's homes to be net zero by 2045.

> A review of energy performance certificates (EPCs)

> A tenure blind Housing Standard to be set in law.

> A focus on increasing the supply of accessible and adaptable homes.

> A review of Housing for Varying Needs (HfVN) guidance

"no challenge poses a greater threat to future generations than climate change"

Barack Obama, 2015

"Housing to 2040 sets out an ambitious vision that by 2040 everyone living in Scotland will have access to a safe, warm, affordable, high quality and energy efficient home that meets their needs in the place they want to be, in a community they feel part of, and proud of no matter their circumstances"

Scottish Government

Social Housing Net Zero Standard (SHNZS)

The Social Housing Net Zero Standard (SHNZS) will replace the Energy Efficiency Standard for Social Housing phase 2 (EESSH2) with new targets based around fabric efficiency and decarbonising heating.

The standard is currently (as of February 2024) out to consultation with the final standard expected in 2025. The consultation proposes several potential interim targets between now and 2045:

- All social housing to meet a minimum fabric efficiency standard by 2028. Homes that don't meet the target cannot be relet.
- A potential target to meet a fabric efficiency rating equivalent to EPC C by 2033.
- Potential targets to have decarbonised heating in increasing percentages of properties by 2030 / 2040 / 2045.

The target timescales will be challenging to meet and it will be essential that we have a plan of action to meet these, albeit it will be difficult to fully assess compliance until a proposed new Energy Performance Certificate (EPC) regime is also finalised in 2025.

Energy Costs and Fuel Poverty

The Scottish Government published their Fuel Poverty (Targets, Definition and Strategy) (Scotland) Act in 2019 with the ambition of ensuring that, as far as possible, no Scottish households are in fuel poverty by 2040, with interim targets of no more than 15% of households in fuel poverty by 2030 and no more than 10% by 2035.

A household is deemed to be in fuel poverty if they spend more than 10% of the household's adjusted net income[1] paying for the fuel needed to maintain the home to an appropriate temperature for their needs, and for the appropriate number of hours per day.

Langstane is committed to contributing to the eradication of fuel poverty, and is also committed to decarbonisation, although at present the two aspirations are often in conflict. The move towards decarbonisation will necessitate an increase in the number of electric heating systems, which are currently more expensive to run unless homes are well insulated and are supplemented with technologies such as solar panels and battery storage. As fuel costs rise many tenants are faced with making choices between heating, eating or paying rent and it is essential that Langstane finds a solution to decarbonisation that ensures a 'just transition'.

Alongside a risk in domestic fuel costs, Langstane is seeing a sharp rise in the cost of running communal services such as stairwell lighting,

"It is estimated that 34% of households in Scotland are currently living in fuel poverty, and 23% are in extreme fuel poverty"

Scottish Government estimates from Jan – March 2024

[1] Adjusted net income is defined as the household income after tax and national insurance are deducted, and after housing costs such as rent or mortgage, council tax and any water / sewer charges are deducted.

necessitating an increase in service charges for our tenants. There are opportunities to reduce communal charges for our customers by upgrading communal lighting systems to LED and this will be incorporated into investment plans.

UK Economy and Brexit

As well as rising fuel costs, at the time of writing this Strategy UK inflation was at 4%, having reached a high of 11.1% in October 2022. Bank interest rates have increased to 5.25% as the Bank of England works to try and curb inflation further. The BCIS Building Forecast is predicting that tender prices will rise by 17% in the five years to 2028.

The impact of inflation will present a number of challenges to Langstane over the course of this Strategy:

- Rising staffing costs and overheads
- Rising costs of repairs and maintenance
- Increased cost of loan funding
- Difficulties balancing rent affordability with increased costs

Brexit, along with other factors, is impacting on contractors' resourcing levels, with a lack of skilled workers in the industry – estimates are that 225,000 additional construction workers are needed by 2027 to meet demand[2]. It is likely that overseas workers will be needed to help tackle the shortage, but this is more difficult with changes to migration rules. There is also a need for the industry to upskill quickly to meet the requirements of decarbonisation and net zero construction.

Langstane is seeing the impact of the economy on its maintenance service with contractor shortages, particularly for more specialist work, and difficulties sourcing parts and materials.

Tenant Safety

Since the publication of our previous Asset Management Strategy in 2016 a number of high-profile incidents have placed tenant safety under the spotlight:

- Grenfell Tower fire highlighting fire safety issues around cladding, fire doors, electrical safety and detectors as well as showing landlords failures to listen to tenants' safety concerns.
- The death of Awaab Ishak highlighting the danger of condensation and mould issues and their detrimental impact on health and wellbeing. Awaab's Law comes into force in England in 2024 and prescribes timescales for

[2] Construction Skills Network (CSN) Industry Outlook 2023 - 2027

- dealing with certain safety issues – it is possible that similar legislation will follow in Scotland in the future.
- Concerns about the structural safety of Reinforced Autoclaved Aerated Concrete (RAAC), found more commonly in larger public buildings such as schools and hospitals but also used in housing.
- High profile campaigners on social media speaking out against poor quality housing and unsafe homes, especially around issues such as inadequate response to condensation, mould, pest infestations and asbestos.

In 2019 Langstane invested in a dedicated Property Compliance team with responsibility for all areas of tenant safety from gas safety through to inspection of play parks. Tenant Safety audits were carried out in 2020 by our internal auditor, and in 2022 by EVH.

The 2020 audit provided a 'reasonable' level of assurance with some recommendations around record keeping and the risk of Covid impacting on programmes of work.

A lot of work was done to strengthen approaches to compliance between the 2020 and 2022 audits and it was pleasing that the 2022 audit made minimal recommendations with only the need to introduce a dedicated Emergency Response Plan for tenancies. This has since been actioned.

Although our approach to property compliance is working well there is always room for further strengthening of approaches and tenant safety will continue to be a priority through the life of this Strategy and beyond.

Housing (Cladding Remediation) (Scotland) Bill

This Bill was introduced to Parliament in November 2023 and is intended to contribute towards the elimination of risks associated with external cladding systems on residential or partially residential buildings.

The Bill introduces:

- A Cladding Assurance Register – which will be used by solicitors or mortgage lenders / funders to check whether a building with external cladding provides suitable security for lending.
- Single Building Assessments (SBA) – in order to be added to the Cladding Assurance Register a building with external cladding that is 11 metres or higher (usually over four storeys) and was built between 1992 and 2022 will have to have a single building assessment carried out by a competent person.

“Awaab died on 21st December 2020…he was 2 years old. Awaab Ishak died as a result of a severe respiratory condition due to prolonged exposure to mould in his home”

Excerpt from coroner's 'Prevention of Future Deaths' report

- Ministers will have the power to vary aspects of the Bill, for instance which height of building the Bill applies to.
- Ministers will also have the power to require an SBA is carried out, arrange urgent remediation work or evacuate buildings.

The Bill is currently at Stage 1 and some of the procedures that will sit behind the Bill require clarification but this Bill may have implications for some of Langstane's flatted blocks. We have not identified any of the higher risk cladding on our properties but do have some blocks of flats with small areas of curtain-walling, fibre cement or timber cladding. With focus now expanding to properties of five storeys and over, rather than those over six storeys as was the original concern, we will seek professional advice on whether we require SBAs and build these into our investment plans accordingly.

Sustainability Reporting Standard for Social Housing (SRS)

The SRS is an Environmental, Social and Governance (ESG) standard developed to help the affordable housing sector measure, report on and enhance its ESG performance in a consistent way. The SRS was released in 2021 and is being adopted by a growing number of housing providers and is being seen as an important tool for allowing funders and investors, with their own sustainability targets to meet, to link their funding to ESG ambitions. Alongside the obvious environmental benefits, housing providers can see interest rate reductions if they meet ESG commitments. The SRS covers a range of topics:

- Rent affordability and security of tenure
- Building safety and quality
- Placemaking
- Climate change
- Ecology
- Resource management
- Organisational structure and governance
- Board and trustees
- Staff wellbeing
- Supply chain management

Langstane published its first ESG report in 2023 with an action plan setting long term ESG ambitions and is an SRS adopter[3]. The asset related actions have been linked into this Strategy action plan as they interlink and overlap with other actions, particularly around net zero and decarbonisation.

Local housing supply and demand

- **Aberdeen and Aberdeenshire**

The Aberdeen & Aberdeenshire Housing Needs and Demand Assessment (HNDA) 2023 - 2028 was published in January 2024. This assessment is carried out jointly by Aberdeen and Aberdeenshire Councils every five years and informs decisions in relation to provision of housing across the local authority areas. The key findings of the HNDA are:

- Across the area there is projected to be an increase in the 75+ age group by 2028 – this is higher in Aberdeenshire (42.6% increase) than Aberdeen City (18.8%). The average increase across Scotland by 2028 is projected to be 27.8%
- The number of households in Aberdeen City is projected to increase by 3% by 2028, and by 6% in Aberdeenshire
- In Aberdeen City the largest projected increase is in single adult households (4.4%) whilst in Aberdeenshire it is projected to be in households with two adults (10.2%)
- There has been a massive increase in affordable housebuilding in Aberdeen City with levels at under 200 per year until 2019 when levels increased to a peak of over 1,000 in 2022 due to large scale housebuilding projects undertaken by the council.
- Delivery of affordable housebuilding in Aberdeenshire has remained steady at around 100 – 200 completions per year over the past four years.
- There is high demand for one bedroom properties in Aberdeen City from homeless applicants and those looking to downsize. Of applicants using These Homes (choice based letting platform), 46.2% are looking for a one bedroom property
- It is likely there will be a surplus of two bedroom properties due to numbers of applicants for this size of property being less than the actual available property
- Providers of mid-market properties in Aberdeen report high turnover and low demand

[3] SRS adopters commit to publishing an annual report on performance against the Standard.

- Aberdeen City council do not currently have any low demand properties but note that two bedroom flats are proving difficult to let – their void loss has more than doubled in past three years to 3.66%.
- Aberdeenshire Council have 96 low demand properties, primarily two bedrooms
- The HNDA details 4 potential scenarios for future housing need (2023 – 2042) with between 195 and 317 social rent properties per year required under scenarios 1 to 3. Scenario 4 predicts the need for 361 social rented properties taking into account short term requirements to meet refugee and asylum seeker needs.

In contrast to the Aberdeen / Aberdeenshire HNDA which predicts increasing demand for one bedroom properties, Langstane is experiencing difficulty letting one bedroom flats in certain geographic areas of Aberdeen and Aberdeenshire. Low demand is discussed in more detail in Section 5

- **Moray**

Moray Council have also released their HNDA 2023 and their key findings are noted below:

- The population in Moray is projected to decline by 3% to 2043 but a growth in smaller households will see household numbers increase by 5%
- Moray has an ageing population with a 32% increase in over 65's predicted to 2042. A 12% decline of those in working age is anticipated.
- Housing association rents are, on average, 38% higher than Moray Council rents (£386.14 compared to £277.85)
- Affordability in Moray has declined, with 14% of households paying more than 25% on rent or mortgage costs
- Future housing need (2022 – 2041) is predicted at between 4,975 – 6,751 (248 – 337 per year) new homes, of which 44% - 53% will be met by social housing

Tenement Law

The Scottish Government has instructed the Scottish Law Commission to review the law of the tenement in Scotland, including the Tenements (Scotland) Act 2004, and make recommendations for implementing recommendation 2 of the Act which relates to the establishment of compulsory owners' associations.

Whilst newer blocks of flats in the north-east of Scotland have owners' associations in place, the majority of traditional pre-1919 tenements do not, which means that many are poorly maintained and it can be difficult for owners in mixed ownership blocks to take forward repairs due to difficulties getting approval and payment from other parties.

The establishment of compulsory owners associations will be beneficial to Langstane. We currently own only 19 properties in mixed ownership blocks but communal repairs can prove challenging in those that are unfactored.

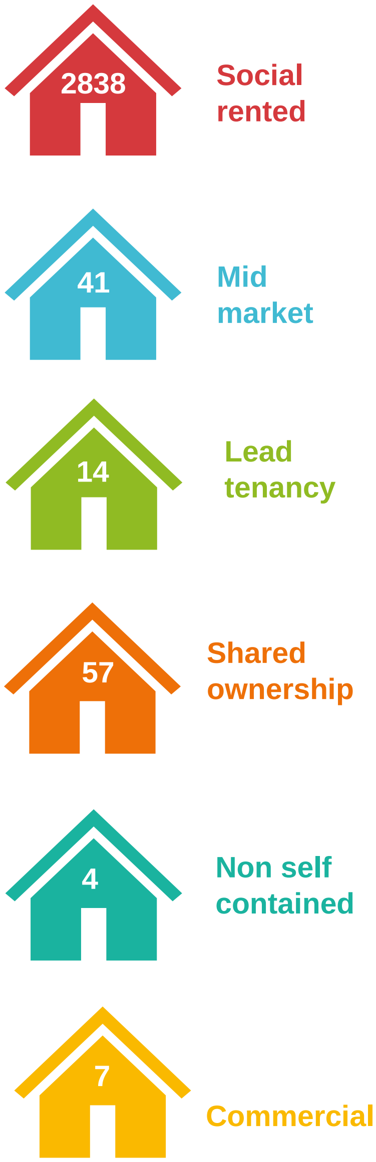
The introduction of compulsory owners associations opens a potential opportunity for Langstane in terms of provision of factoring services. Langstane is already a registered Property Factor and there is the potential to offer a full range of factoring services to private owners. However, this is known to be a challenging industry and would need further investigation and a robust business case.

4. Property profile

Langstane owns and manages 2838 social rented units and owns an additional 41 mid-market rented units which are leased through Langstane Property Ltd, our private landlord subsidiary.

In addition we manage 14 lead tenancy properties on 10 year leases from private owners, 57 shared ownership properties, 4 non self-contained properties (supported accommodation hostels) and 7 commercial spaces including our Aberdeen and Elgin offices.

Langstane started life in 1977 as a provider of accommodation for single, vulnerable adults. In the early 1980's we were able to access grant funding to begin a programme of tenement rehabilitations before starting a comprehensive new-build programme in the mid 1980's. Throughout this period Langstane concentrated on housing for single people and this is still, and will remain, our core client group.



Size of properties

We are rightly proud of our roots, having played an important role in helping vulnerable adults escape the cycle of spending nights in shelters and days on the street by providing them with their own homes. It has, however, left Langstane with a property profile that centres around smaller flat types, as can be seen in Figure 1 which highlights the high number of one person accommodation.

Over the course of this Strategy and beyond we will develop and implement plans to diversify our property profile to ensure it is attractive to current and future customers – the studios and single person properties are one of our greatest challenges in this respect and some reconfiguration or disposal of properties will be required.

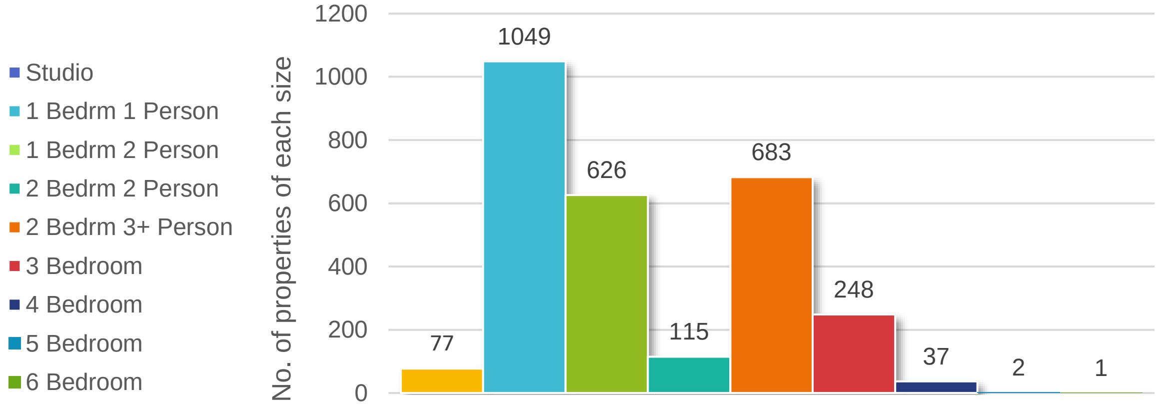


Figure 1 - Number of social rented properties by size

Location of properties

Langstane's properties are located throughout the Aberdeen City, Aberdeenshire and Moray local authority areas, with the most distant scheme located in Findhorn, 79 miles from the main headquarters in Aberdeen. Moray and North Aberdeenshire properties are covered by our Elgin office to ensure that more remote developments can be managed effectively.

Age of properties

Langstane's properties sit at two ends of the age spectrum, with 377 properties being pre-1919 tenement flats and the majority of the remaining properties being new build properties dating from 1983 onwards.

We have avoided many of the issues relating to non-standard construction methods used between 1919 and 1980 but the age of our stock does present some challenges:

- Our pre-1919 tenements perform poorly in terms of energy efficiency and many require wall insulation (and floor insulation for ground floor properties)
- Properties built at the peak of our new build programme in the late 1980's and 1990's are now in a more costly phase of life with multiple components requiring replacement – many of our older new-build properties will also require some energy efficiency upgrades
- Some of our older properties can look dated internally (for instance with darker wood finishes or artex ceilings) and layouts may not meet the expectations of tenants

Listed buildings and conservation areas

140 of Langstane's properties are listed and a further 322 sit in conservation areas. This can present challenges when upgrading, partly because of the added timescales involved in obtaining permissions, but also because of the limitations and additional costs this can place on carrying out certain works such as upgrading windows, repointing etc.

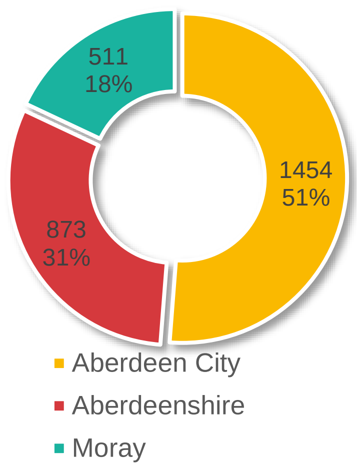


Figure 2 - Number and % of properties by Local Authority area

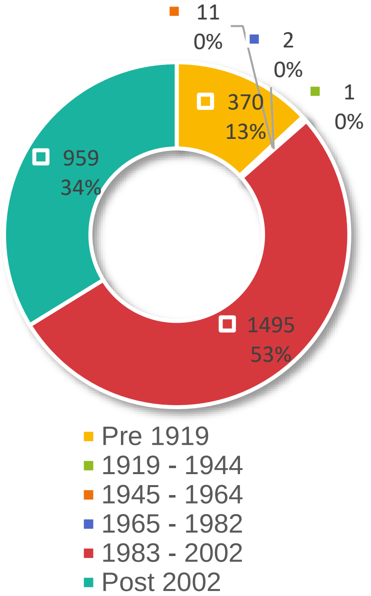


Figure 3 - Number and % of properties by age band

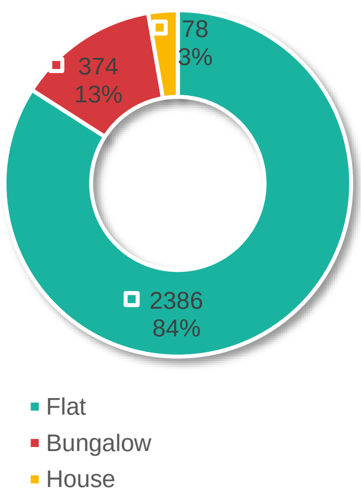


Figure 4 - number and % of properties by type

Property types

The majority of Langstane's properties are flats but just over 15% of properties are houses or bungalows.

Flatted blocks

The majority of Langstane's flatted blocks are low or medium-rise (under six storeys) with only a small number being six or more storeys.

Mixed ownership

Having held charitable status since 1977, Langstane's tenants have never had the Right to Buy, meaning we have very few mixed ownership developments so do not face the usual challenges with factoring and maintenance that this can bring. The lack of mixed ownership blocks will be to our advantage when we start net zero retrofits and reconfiguration work.

We do own 19 single flats in mixed ownership blocks. Many of these (13) are in non-factored buildings and organising communal repairs can be time-consuming. Langstane has a policy of considering disposal of these flats as they become void, although this is dependent on the property market at the time. A list of these properties can be found at Appendix 2 – potential disposals.

Single flats in factored blocks are not currently considered for disposal as they do not present the same challenges with communal repairs.

Shared ownership

The majority of owners of Langstane's original shared ownership properties have tranched up to 100% ownership but Langstane still owns a share in 57 properties. On average Langstane's interest reduces by 1 property a year. Langstane does not currently have a policy of buying back Shared Ownership properties but will review this policy during the life of this Strategy.

Lead tenancies

In the 1990's Langstane worked with a number of private landlords to refurbish properties and bring them back into use as rented accommodation through the Lead Tenancy Scheme.

Langstane rented the properties from the private landlords on a twenty year lease, during which time Langstane took responsibility for all repairs, maintenance and tenancy issues. The majority of these lead tenancy leases have now expired and Langstane

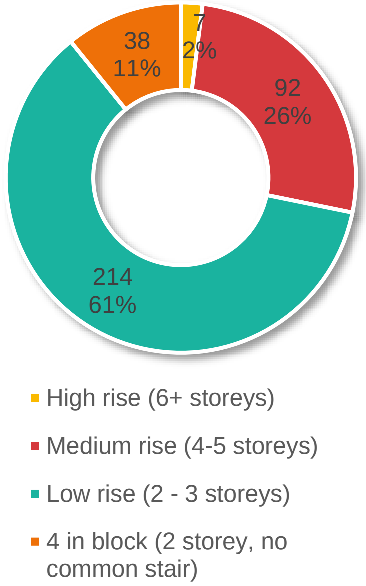


Figure 5 - number and % of flatted blocks by storey height

now only leases two lead tenancy schemes, comprising 14 flats in total. These are currently leased on ten year leases with break clauses at year five of the leases (2024 and 2025).

It is our intention to terminate the lease on one block at the break clause in 2024 and the other block will be reviewed in late 2024.

Private rented sector tenancies

Langstane has a small number of mid-market properties (41) all located in Aberdeen City. Mid market properties are managed through Langstane Property Limited, our private landlord subsidiary. Mid market properties are intended to provide private rental accommodation at a more affordable cost to those who cannot access social housing, and bridges the gap between a social rent and a private rent.

Our mid market rent levels are reviewed at every void and revised in line with the private rental market and demand. As figures 6, 7 and 8 show, the gap between social rent and mid market for one bedroom flats (both one and two person) has reduced to a point where the rents are very similar. The mid market rents for two bedroom flats do still provide a mid priced option for those who cannot access social housing (costs based on rent + service charge at Q3 of 2023/24 for Aberdeen City properties)

The narrowing gap in rents, difficulties letting mid market properties in a competitive market and the recent 3% rent increase cap imposed by Scottish Government all contribute to making it more challenging for Langstane Property Limited to cover its costs. Our Business Plan recommends that a review be carried out in 2024 to consider the future of Langstane Property Limited and the 41 mid-market properties.

Commercial properties

Langstane currently owns 7 commercial premises (Appendix 3), including its Aberdeen and Elgin offices and an office space at its largest scheme, Fraser Court in Aberdeen, which will be home to Langstane's Housing Support team. The remaining premises are leased to third sector partners.

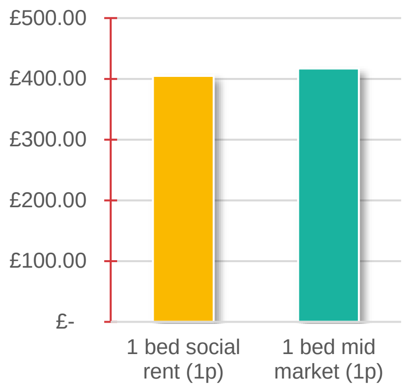


Figure 6 - social v mid market rent comparison - 1 bed 1 person

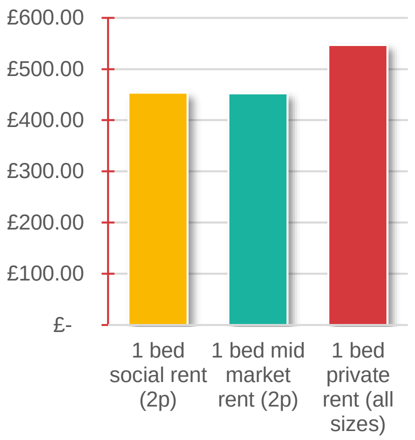


Figure 7 - social v mid market v private rent comparison - 1 bed 2 person

Figure 8 - social v mid market v private rent comparison – 2 bed

Over the course of this Strategy we will review the way that we manage the income and expenditure of commercial tenures to ensure they are 'ringfenced' and don't divert resources from our social housing services.

Community spaces

Langstane's schemes contain a number of community spaces (see Appendix 4 – Community) including community rooms, caretaker offices, large stores, former laundries and drying rooms and one garage.

The majority of these spaces are currently unused but have the potential to provide a benefit to the schemes they sit in, for instance as bookable spaces for activities or simply as additional storage space for bikes and prams in schemes where housekeeping in communal areas is presenting a challenge.

Low demand / hard to let properties

Langstane defines low demand or hard to let properties as properties where there have been three or more refusals in a single void period or where there is little or no waiting list for the property. At 31st March 2023 we reported 293 low demand or hard to let properties, compared to only 12 in 2016. The location of these properties is detailed in Table 1 and hard to let property types and property sizes are shown in Figures 9 and 10.

Town	No. of low demand	Low demand as % of total LHA properties in town
Aberchirder	6	100.0%
Aberdeen	220	14.6%
Banff	31	51.7%
Macduff	16	32.0%
Peterhead	6	3.0%
Tomintoul	12	100.0%

Table 1 - number and % of low demand / hard to let properties by location

Of the 293 low demand / hard to let properties, the majority are flats and the majority of these are 3 person / 2 bedroom flats (97) or 1 person / 1 bedroom flats (87). 13 of the low demand / hard to let properties are studio flats – this represents 17% of all studio flats.

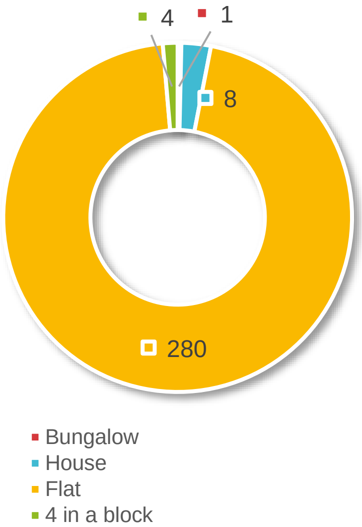


Figure 9 - Low demand / hard to let properties by type

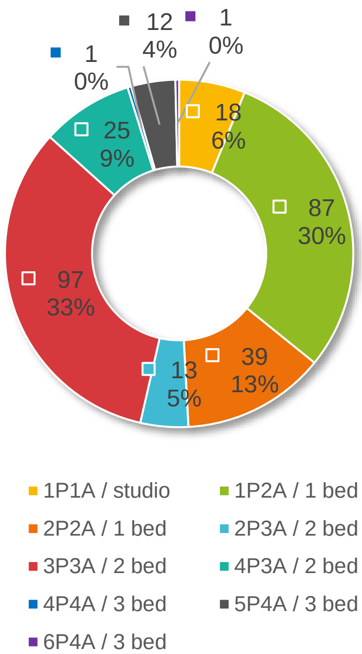


Figure 10 - low demand / hard to let properties by size

Property offer refusals

When an offer of accommodation is refused by a prospective tenant we record the refusal reason to assist with identifying any trends or issues that we need to respond to. Reviewing refusal reasons highlights the following:

> Refusals for **'does not want area'** have increased from 17.1% in 2021/22 to 27.9% in 2022/23 – with the majority of properties refused for this reason being in Aberdeen, Banff and Peterhead

> Refusals for **'condition of property'** have increased from 2.1% in 2021/22 to 4.0% in 2022/23 (this equates to 12 out of 301 refusals)

> Refusals for **'housed by other provider'** have increased from 3.1% in 2021/22 to 6.0% in 2022/23

> Refusals for **'cannot afford property'** have increased very slightly from 5.8% in 2021/22 to 6.6% in 2022/23. (this equates to 20 refusals out of 301). The majority of refusals for this reason related to smaller property types in Aberdeen.

Other reasons for refusal decreased:

> Doesn't want move at present – decreased from 11.5% in 2021/22 to 9.6% in 2022/23

> No contact – decreased from 42.6% in 2021/22 to 29.2% in 2022/23

> Does not want floor level – decreased from 2.3% in 2021/22 to 1.3% in 2022/23

> Only wants house – decreased from 2.9% in 2021/22 to 0.7% in 2022/23

Although we are seeing more difficulties in renting smaller properties, this isn't being mirrored by an increase in refusals based on property size, which has stayed around about 8.0% for the last two years. This may be because the waiting lists for these properties are small and so few offers are being made. We will review the way we collate and analyse information on refusals to ensure it is giving us the most useful data.

5. Investment and standards

Data

Data is becoming increasingly essential to effective asset management and we use a wide range of data to inform asset related decision making.

Over the period of this Strategy we will review and refine our datasets to ensure we have relevant information to inform future plans for net zero and decarbonisation but that we are not trying to collate and manage unnecessary data. We will also review the potential to use new analysis methods including Power BI and Geographic Information Systems (GIS) Mapping.

The main data we currently hold and analyse are listed below:

Stock condition data

Our stock condition data is held in our housing management database and comes from a variety of sources including:

- **Survey data – in-house surveys**

We carry out an in-house rolling programme of condition surveys of our homes and communal areas with the aim of visiting every home at least once every five years. This ensures our information is relevant and allows us to proactively manage stock condition through early identification and resolution of issues.

Condition survey data is collected electronically and records compliance against SHQS as well as confirming the condition and anticipated remaining life of the main components of each home. The survey visit is also an opportunity to identify any day-to-day repairs issues or condensation issues.

1317 properties have had full condition surveys carried out in the last five years. This figure is lower than anticipated due to Covid but surveying has resumed.

The range of data collected through in-house surveying will be expanded over the course of this Strategy to include information to inform net zero plans, including thermal imaging of properties and condition surveys of historic interventions such as cavity wall insulation.

The way we collect and hold stock condition data will also be reviewed. Our survey software does not currently ‘speak’ to the stock condition module and more automated methods of

“the goal is to turn data into information, and information into insight”

Carly Fiorina, former executive, president & chair of Hewlett Packard

transferring data between systems will be investigated along with improved analysis methods.

- **Survey data – external surveys**

We aim to validate our in-house data through an external stock condition survey every 10 years. Our most recent external survey was carried out by JMP Surveyors from January to March 2022. 20% of our properties and 80% of communal areas were surveyed.

Final validation is required for cloned data provided from the external survey.

- **Condition data – completed works**

Stock condition data is held in our housing management system and is updated as and when work is carried out to properties (such as component replacements) to ensure it remains valid.

Energy data

Energy performance certificates (EPCs) are renewed when significant work is carried out to a property – such as a heating upgrade or insulation work – or when a property is relet, if the current certificate is older than 10 years old.

Going forward we will start to retrieve full datasets from EPCs to help with planning for net zero and review available software to allow us to accurately model energy efficiency improvements.

In 2025, the information shown on EPCs will change, with fabric efficiency becoming one of the primary ratings displayed. This will also be used to assess compliance against the new Social Housing Net Zero Standard (SHNZS). It will be important for us to renew as many of our EPCs as possible to allow us to accurately and quickly assess compliance with the SHNZS as soon as the new standard is finalised.

Compliance data

To support compliance with health and safety requirements relating to areas such as gas safety, electrical safety, fire safety, lift safety, asbestos and legionella we ensure that we hold accurate and up to date records of all servicing and maintenance carried out, along with copies of any risk assessments.

Compliance is discussed in more detail on page 24.

Investment planning

Stock condition data is used to inform our high level 30-year investment plan and more detailed 1 and 5 year plans. We use component lifecycles to help with forward programming – our current lifecycles are shown in Table 2.

Component	Replacement cycle (years)
Kitchens*	20
Bathrooms*	30
Windows & doors	35 - 45
Boilers	When fails (approx 15 years)
Radiators	30
Electrics	When fails
Roof	60
Door entry	When fails
Lifts	When fails

**Include partial rewiring*

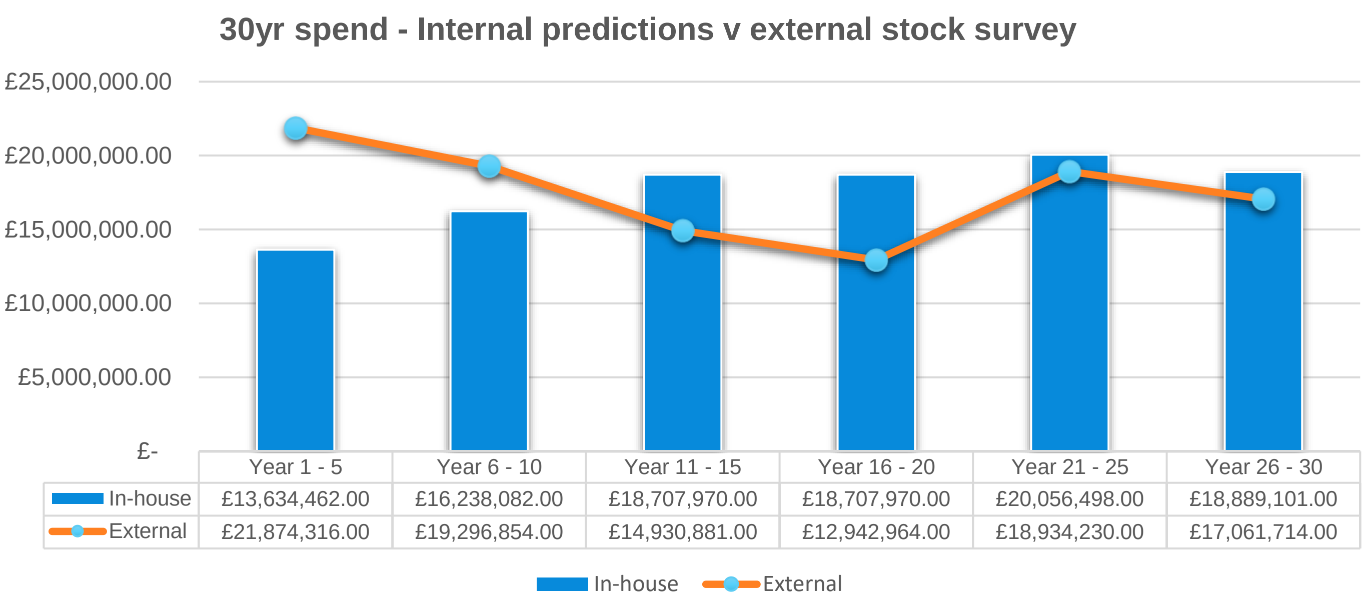
Table 2 - component replacement cycles

Lifecycles are used to assist with planning, but final programmes will take into account other factors such as condition and safety issues. Each year we will prioritise investment in order to make the best use of financial resources. We prioritise:

- Works required for health and safety reasons
- Works required to rectify or prevent structural issues
- Works required to meet statutory / regulatory obligations (which will include work to maintain wind and watertightness and habitability)

The profile for our 30-year investment plan is shown at Figure 11, and is compared with results from our most recent external stock condition survey.

Although our total anticipated 30-year investment costs correspond with the external stock condition survey estimates, the profiling differs. In the early part of this strategy we will focus on updating our plans for the first 10 years of our 30 year plan to ensure we focus on priorities from the external stock condition survey, and in particular window replacements.



	Year 1 - 5	Year 6 - 10	Year 11 - 15	Year 16 - 20	Year 21 - 25	Year 26 - 30
In-house	£13,634,462.00	£16,238,082.00	£18,707,970.00	£18,707,970.00	£20,056,498.00	£18,889,101.00
External	£21,874,316.00	£19,296,854.00	£14,930,881.00	£12,942,964.00	£18,934,230.00	£17,061,714.00

Figure 11 - 30 year spend - internal predictions v external stock survey

Standards

- ### Scottish Housing Quality Standard (SHQS)

At 31st March 2023 Langstane reported 91.26% compliance with SHQS, as compared to 88.55% at 31st March 2016.

The majority of properties not meeting SHQS did so for energy efficiency reasons or because they had an overdue electrical inspection.

- ### Energy standards

Currently our properties have an average EPC rating of 75 (Band C) with the split shown in Figure 12 (current). On average our stock achieves better energy efficiency ratings than social housing at a national level.

Against the Energy Efficiency Standard for Social Housing (EESSH) we are 93.83% compliant. 172 properties do not currently meet the standard, 115 of which have exemptions and 57 of which fail, primarily due to lack of insulation.

In 2022, just shortly before the review of EESSH was announced, we appointed Warmworks to carry out analysis of our properties and identify the range of works and potential cost to bring our stock up to EESSH compliance. Their report proposed that at least 2,095 properties had measures that could be carried out to improve energy efficiency whilst for 247 properties there were no appropriate measures that could be applied. The measures ranged from loft insulation top-ups to solar PV and the estimated cost of carrying out the measures was £12.3 million with an average cost per property of £5,893. This cost was only for meeting EESSH and did not take into account the additional requirements of achieving net zero.

The improvement in EPC ratings that would be achieved through this £12.3 million spend is shown at Figure 12 (potential).

Detailed analysis of the requirements to meet net zero were not carried out but at a high level it was confirmed that fabric upgrades to 'deep retrofit'[4] standard could cost £25,000 - £120,000 per property whilst installing clean heating would cost a further £7,000 - £19,000 per property. Not all properties will need full retrofit works or clean heating and so there is a substantial piece of work required to bring all of our data together to establish a detailed, costed plan to achieve net zero.

A further consideration in our journey to net zero will be the introduction of the Social Housing Net Zero Standard in 2025. This will likely introduce interim targets for fabric efficiency and decarbonisation that could require us to carry out work in a more piecemeal fashion whereas our preferred approach would take a longer-term approach of full / partial retrofits. Until the SHNZS is finalised it is difficult to assess how much of an impact this will have, or indeed how our stock will perform against the new fabric efficiency rating that will be introduced. We will aim to do as much preparatory work as possible in advance of the standard being released.

Energy efficiency, net zero and decarbonisation are the most complex challenges that Langstane faces over the course of this Strategy and beyond and will be the main focus for our resources, but we are committed to finding innovative ways to achieving net zero by 2045.

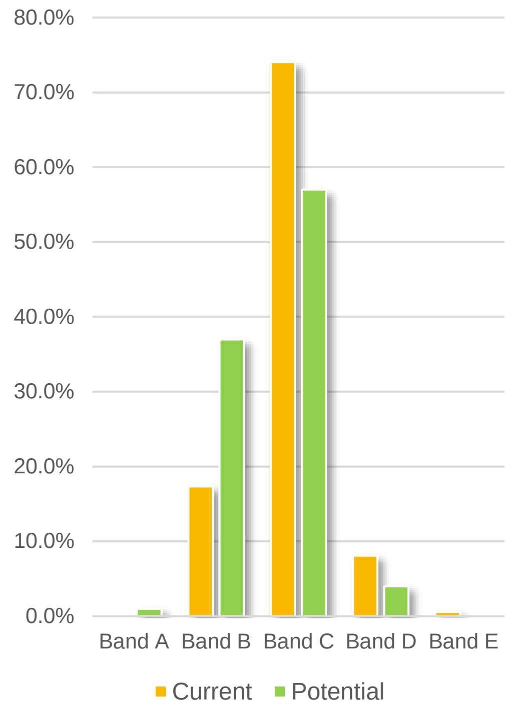


Figure 12 – current and potential % of properties at each EPC Band

[4] 'Deep retrofit' does not have a single definition but for the purposes of Warmworks report it was estimated that fabric works would have to reduce energy reductions of at least 80% - based on the Passive House Institute definition

- ## Tenant safety

Langstane has a substantial number of obligations to meet as a landlord in order to ensure the health, safety and wellbeing of tenants. In 2019 we established a dedicated Property Compliance team with responsibility for all tenant safety programmes of work including:

- Gas safety checks are conducted prior to the start of new tenancies and annually thereafter – we have maintained a 100% gas safety compliance record over the past five years
- Electrical Installation Condition Reports (EICRs) are conducted prior to the start of new tenancies and five yearly thereafter – at 31st March 2023 we reported 46 properties with an overdue EICR. We have introduced a forcible entry procedure for EICRs to increase compliance.
- Legionella risk assessments and management plans with regular testing and disinfection carried out by an external company.
- Asbestos management surveys in place for all pre-2000 non-domestic parts of our schemes, and 163 entries on our asbestos register. We employ an external company to conduct annual visual inspections of asbestos. We conduct refurbishment and demolition surveys ahead of disruptive works and have recently started conducting management surveys of voids to build up information on asbestos in our domestic properties.
- Fire risk assessments are in place for all blocks of flats and the majority of recommendations from the assessments are complete. We have some work to do around collation of information on fire doors in older properties.

  In 2020/2021 alongside completing the upgrade of domestic detection systems to meet the new tolerable standard we installed communal alarm systems in all block of flats to give early warning to tenants.

The full range of work undertaken is detailed in Table 3

"Landlords have a range of statutory obligations in this area…Tenant and resident safety can cover a wide range of issues from the physical condition of properties through to issues around homelessness"

Scottish Housing Regulator, The risks we will focus on, November 2023

Work	Cycle
Adaptation equipment servicing	6 monthly / annually dependant on equipment
Asbestos reinspections	Annually
Electrical inspections	Start of tenancy & 5 yearly
Emergency lighting	
Fall arrest systems	Annually
Fire risk assessments	As required based on risk
Fire equipment servicing	Varies depending on equipment
Gas servicing	Start of tenancy & annually (MOT)
Lift servicing	Quarterly and 6 monthly
Lightning protection	11 months
Play park inspections	Monthly and annually
PATs	1 – 2 years based on risk

Table 3 - tenant safety / property compliance work type and inspection cycles

Although our approach to tenant safety is strong there is always room to make improvements and, in particular, we will focus on strengthening our data on fire doors and finding ways to involve tenants in decision making with regards to safety issues. We will also look at aspects of tenancies that have not been considered ‘safety’ issues such as tenancy hygiene / hoarding and pest infestations to ensure that these are being managed effectively.

- ## Building safety

Structural safety

Through our in-house rolling programme of condition surveys, we visually inspect structural features of buildings such as balconies, external escapes, retaining walls and car ports to ensure we identify any deterioration at an early stage. Any identified issues are passed to a structural engineer for more detailed assessment.

External Cladding

We have not identified any ACM, MCM or HPL cladding on our buildings. We will review our buildings in light of the upcoming Housing (Cladding Remediation) (Scotland) Bill to identify any properties that will require a Single Buildings Assessment.

Reinforced autoclaved aerated concrete (RAAC)

Following publicity about RAAC concerns we carried out a desktop assessment of all schemes built or renovated / extended between 1950 and 1995 to assess whether RAAC had been used in the construction. Where schemes could not be ruled out through desktop assessment they were passed to our structural engineer for visual assessment. This exercise confirmed that there was no RAAC present in our properties.

Condensation, damp & mould

In 2023 we introduced a new 5-step procedure for dealing with damp & mould and also introduced new recording methods to allow us to analyse and report on condensation issues more easily. In 2024 we will roll out additional training to staff on the causes of mould and how to tackle complex cases.

Alongside our new procedure we have installed 50 remote sensors in properties to pilot effectiveness in proactively identifying condensation and fuel poverty issues. We will review their effectiveness over the first year of this strategy to determine whether it is appropriate to roll these out to further properties.

• Reactive repairs

Repairs service

We carry out reactive repairs using four main categorisations. Our repairs are carried out by an external contractor framework and by our in-house Direct Labour Organisation (DLO). The split of repairs (based on ARC reportable repairs) is shown in Figure 13.

Low value (under £500) straightforward repair orders are raised by our Customer Service team at first point of contact whilst more complex repairs or repairs requiring a pre-inspection are managed by the relevant Property Officer.

We aim to complete 85 - 90% of repairs within timescale depending on the categorisation. This is a challenging target given the increasing volume and complexity of repairs being reported and performance against this target varies between external contractors and the DLO as can be seen in Figure 14.

Annually, as part of our budget setting process, we analyse repair trends to identify upcoming planned investment needs. We will refine this process to ensure we are identifying investment needs as early as possible.

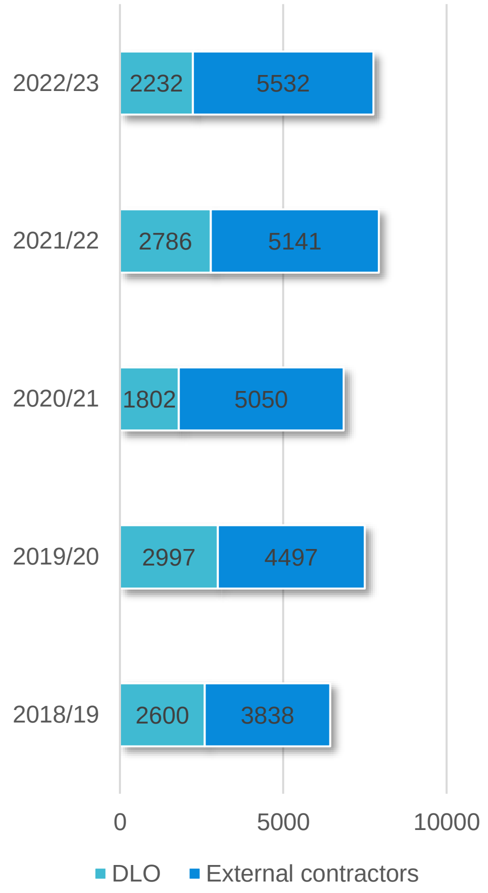


Figure 13 - split of repairs between DLO and external contractors for past five years

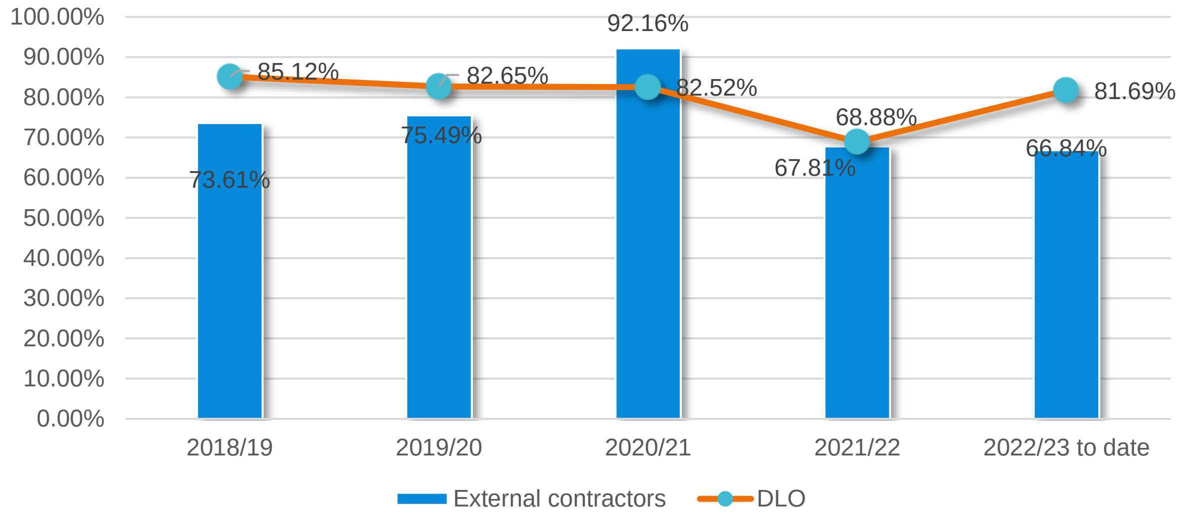


Figure 14 - % of repairs within timescale - DLO v external contractors

Satisfaction with repairs

Pre-Covid, tenant satisfaction was comparable for the DLO and external contractors, sitting at just over 90%. Covid saw a drop in satisfaction, understandably, as repairs took much longer to complete due to restrictions and a shortage of contractors.

However, satisfaction has not returned to pre-covid levels, sitting at under 80% in 2022/23 for both contractors and the DLO.

In 2020 the method for collecting satisfaction responses was changed from paper surveys to a combination of electronic and paper surveys. This has led to a dramatic drop (from 17% in 2018/18 to around 2% from 2020/21 onwards) in the number of responses, which means that the responses we get are not necessarily reflective of the service.

We will review our survey collection methods to ensure that we increase response rates to ensure we have meaningful information that helps us drive service improvement.

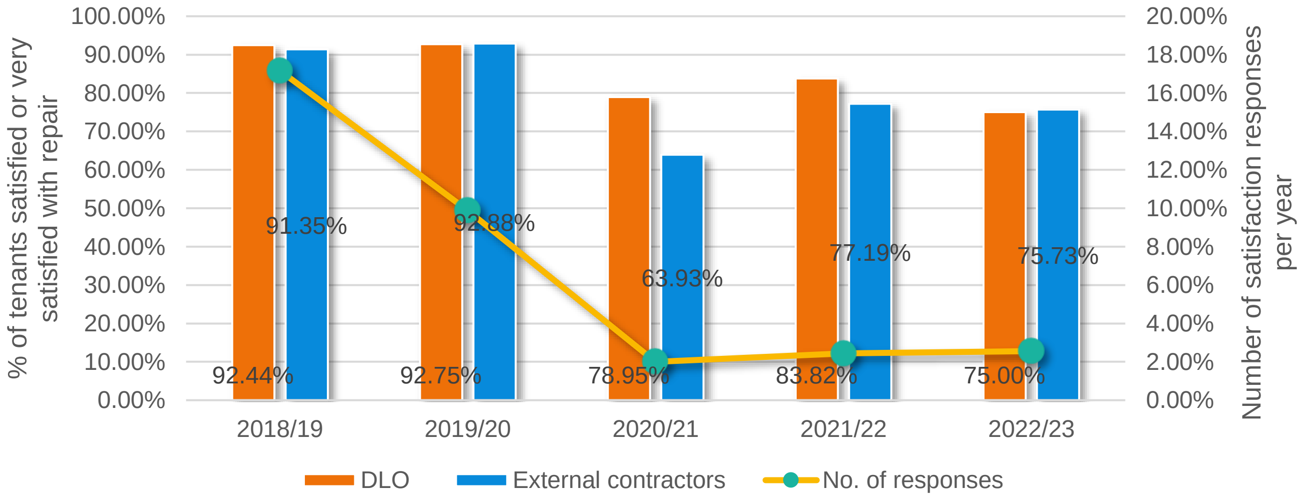


Figure 15 - satisfaction with repairs (DLO v external contractor) and response rates

- ## Void works

Langstane traditionally has a higher turnover of properties compared to its peers, primarily due to the high number of single person households. Our void statistics over the past five years are shown at Table 4.

	2018/19	2019/20	2020/21	2021/22	2022/23
Number of properties	2,787	2,845	2,845	2,845	2,845
Void in year	346	383	329	431	354
Relet in year	343	372	321	381	407
Average days to relet	38.39	29.67	57.36	57.72	87.47
Tenancy turnover%	12.41%	13.46%	11.56%	15.15%	12.44%

Table 4 - void statistics

Our Housemark peer group average for tenancy turnover was 8.08% (2021/22) and although our void performance is expected to improve due to a number of improvement actions implemented in 2023/24 we will continue to improve and refine the void management process to ensure it is as efficient as possible.

- ## Planned maintenance

Annually we allocate budget to planned works identified in previous years through condition surveys or analysis of day-to-day repair trends. These will include fabric repairs, hard landscaping including fencing, external lighting and internal communal upgrades. We also allow a contingency budget for works arising from unforeseen events such as storm damage or early failure of a building element. We will continue to refine the methods we use to analyse planned maintenance trends, particularly around unforeseen works related to climate change.

- ## Procurement

Under the previous Strategy we completely reviewed our approach to procurement, publishing a new Strategy, Policy and suite of procedures. We carry out regular training to ensure that procurement is being carried out consistently and compliantly across the organisation.

Procurement for an organisation of our size can be resource intensive. Where existing frameworks are in place we will consider purchasing from these where we can evidence value for money using this approach.

- ## Technology

Technology is playing an increasing role in day-to-day life and it is essential that we ensure our tenants have access to the technologies they need to access essential services, and that we also maximise our own use of technology, particularly where it can help us operate more proactively.

Digital switchover

The UK government has set a target for all analogue telephone lines to be switched off by December 2025 in favour of switching to digital services. This will affect a range of Langstane's current access and communication systems including:

- Door entry systems
- Fire alarms / security alarms

- Lift communications
- Warden call systems

The estimated cost of upgrading systems is £200,000. Alongside the need to upgrade hardware, the digital switchover has the potential to leave a proportion of our tenant population digitally excluded and, through our Tenancy Sustainment Strategy, we will re-launch our Digital Champions scheme to provide assistance to tenants who need it.

Radio Teleswitch Services shutdown

Tenants with radio teleswitch meters will lose the service from 31st March 2025. This will potentially impact on tenants with electric heating who have off-peak metering (such as Total Heat Total Control or Economy tariffs). Electricity suppliers are responsible for upgrading affected customers to smart metering but Langstane will monitor progress to ensure that suppliers are managing to access homes and that tenants are not left without access to heating at the switchover date.

Digital connectivity

An increasing number of services are accessed online including access to housing applications, benefits, employment opportunities and access to further education. It is important that tenants are not disadvantaged by a lack of digital connectivity.

We are working with CityFibre to bring fibre connectivity to Aberdeen city centre schemes with around 20 schemes upgraded to date. This gives tenants relatively low-cost access to faster wifi, albeit at the moment this is restricted to one supplier.

We will continue to look at ways of improving digital connectivity for tenants, particularly as we look ahead to rolling out a self-service tenant portal in late 2024.

Smart Technology and Internet of Things

Smart technologies are progressing at pace and there is a growing choice of sensors and meters that can be used to monitor a variety of aspects of the home, most commonly temperature and humidity. The data these sensors gather can be accessed remotely and can provide early identification of damp and mould issues as well as alerting staff to homes that are not being heated (the tenant may be having difficulty with running costs or may have abandoned the home) or ventilated properly. We currently use temporary, moveable sensors to assist with condensation issues and have installed a around 40 fixed sensors in homes which can be remotely monitored.

We will carry out a cost-benefit analysis of fixed sensors over the first year of this Strategy to determine whether it is appropriate to roll these out to further properties.

In addition we will review the use of fixed sensors to gather ‘before’ and ‘after’ data for properties that are undergoing energy efficiency upgrades.

Electric charging points in schemes

Currently we have not installed any EV charging points within schemes. We will review over the life of this strategy in consultation with tenants.

6. Customer profile

It is essential to the success of this Strategy that we understand who our customers are and what their priorities are.

Langstane's information on, and feedback from, customers comes from a number of sources:

- Tenant satisfaction survey conducted every three years
- Smaller focused surveys throughout the year, for example repairs satisfaction surveys
- Tenant panels and interested tenants' groups
- Complaints and compliments

This section looks at the profile of our customers and summarises some of the main issues they have raised with us with regards to our properties.

Age

Figure 16 compares the age of our tenant population in 2022 against the 2016 strategy information. In line with projections for the Scottish population generally, our tenant population is ageing. We have seen a fall in the number of children living in our properties and a noticeable rise in the number of tenants falling in to the 55 – 76+ age groups.

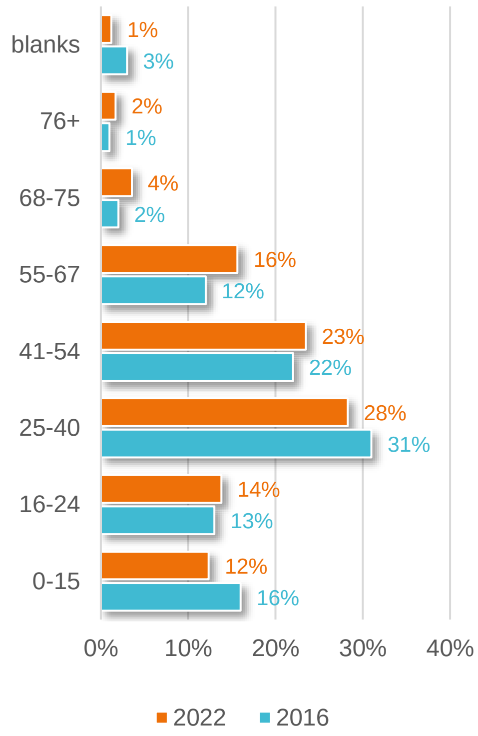


Figure 16 - % of tenants by age band - comparison between 2016 and 2022

Length of tenancy

The current average tenancy across all our social rented properties is 8.4 years. This has increased from 2016 when the average tenancy was 7.48 years, and from 2019 when it had dropped to 6.76 years.

The longest tenancies tend to be in property sizes from 3 bedrooms and upwards. The lowest average tenancy length (at 6 years) is seen against two bedroom properties.

Income

Around 62% of tenant pay their rent through Housing Benefit or direct payments of Universal Credit. There will be additional tenants who are in receipt of Universal Credit but have not set up direct payments to Langstane.

This compares to around 45% of our tenants being in receipt of full or partial housing benefit in 2016 so the number requiring financial assistance has grown.

Across Scotland around 20% of households claim housing benefit or Universal Credit.

Disabilities

Just under 17% of our primary tenants consider themselves to be disabled but this does not include any family members who may have a disability. Our information on disabilities is limited and dates quickly as tenant circumstances change so it is likely that the disabilities data in Figure 17 is inaccurate.

To assist tenants to remain independent in their homes for as long as possible Langstane has a referral-based adaptation service that provides physical adaptations to tenants. Tenant can self-refer for a number of minor adaptations without the requirement for an occupational therapist referral.

Customer satisfaction

Langstane carries out regular tenant surveys, usually every three years. Improvement has been seen in most areas but satisfaction with the quality of the home dropped in 2021. This figure will have been impacted by the lack of improvement works carried out in 2020/21 and much of 2021/22 due to Covid but survey responses from tenants show other issues also impacted on the result. These are detailed in Figure 21 .

Satisfaction with the repairs service has improved but again, responses from tenants who were dissatisfied with the service show that there are recurring issues with incomplete repairs and the time taken to get a repair carried out.

- ### Satisfaction with repairs

Although satisfaction with the repairs service has improved it is still below the Scottish average and there is work to be done to improve the main areas of dissatisfaction – repairs are often classed as complete but are either not fully complete or the issues returns, and the repair takes too long to complete.

- ### Satisfaction with quality of the home

Satisfaction with the quality of home has decreased and is below the Scottish average. The main reasons stated for dissatisfaction are that the home requires upgrades / improvement or has outstanding repairs. As outlined in Section 7, there is work to be done to reprofile our medium and longer term investment plans to ensure that higher priority improvements are brought forward in the plan, particularly windows.

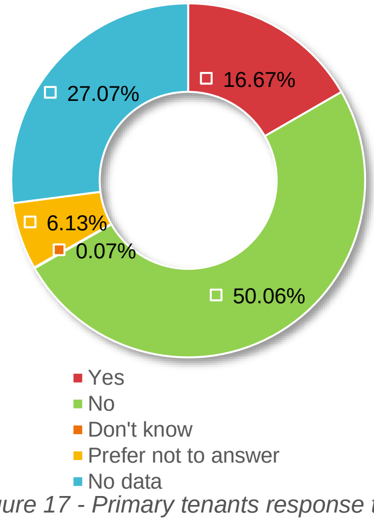


Figure 17 - Primary tenants response to the survey question "do you consider yourself to be disabled?"

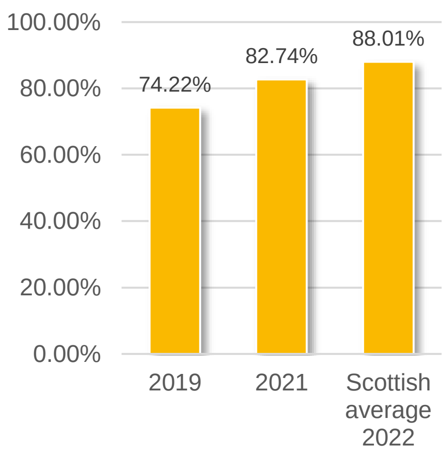


Figure 18 – Satisfaction with repairs

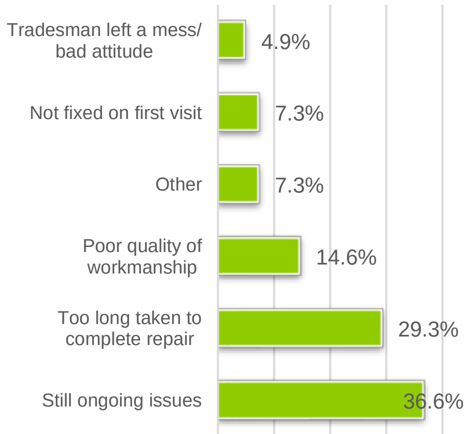


Figure 19 - reason for dissatisfaction with repairs

Alongside this, in 2018 we extended the life of a kitchen from 15 years to 20 years to ensure that we had financially viable investment plans. This has naturally led to disappointment amongst tenants who expected to have their kitchen replaced sooner.

Generally our response rates to surveys are low and so aren't always representative of our full customer base. It will be a priority for this strategy to find ways to encourage our customers to get more involved in shaping our property related services.

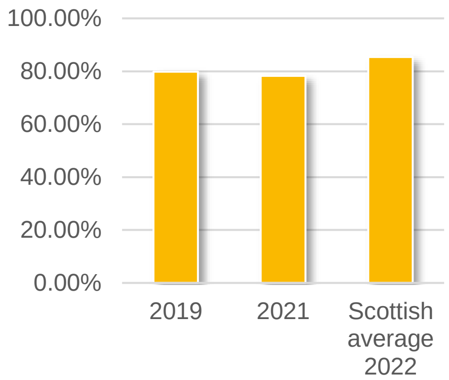


Figure 20 – satisfaction with quality of home

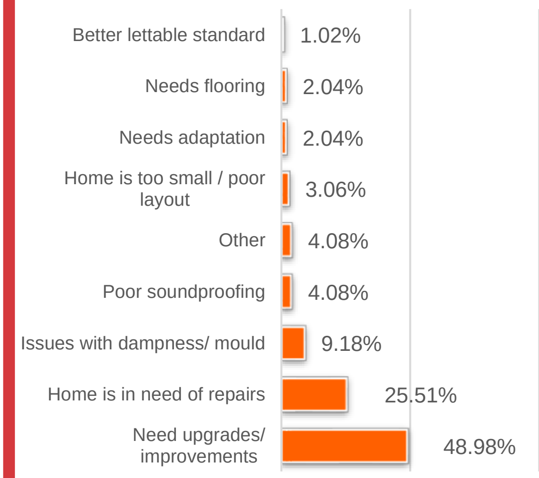


Figure 21 - reason for dissatisfaction with quality of the home

Customer priorities for repairs and maintenance

- **Repairs priorities**

In 2022 we carried out a focussed survey on the repairs and maintenance service and asked respondents to tell us what their priorities were for repairs and planned maintenance.

As can be seen in Figure 22 tenants want a good quality repair and they expect to be kept up to date with the progress of the repair. A dedicated Customer Service Team was set up after this survey was carried out and communication at the point of reporting a repair is now improved but there is still work to do to ensure tenants get ongoing communication about their repair throughout it's life, particularly if the repair is delayed for any reason.

Repairs quality is monitored through a 10% post-inspection regime, with post-inspections carried out in a range of ways including examination of completion photographs, telephone calls to the tenant and visual inspections for larger value repairs.

- **Planned maintenance priorities**

Tenants were asked which internal upgrades were a priority for them and kitchens and windows were, by far, the most important. Of least importance was insulation although we expect that insulation, and energy efficiency generally, will have increased in importance for tenants with the rise in fuel costs.

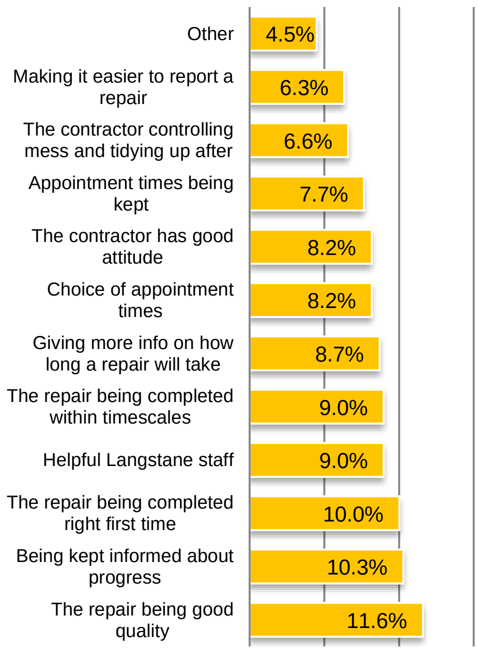


Figure 22 - repair priorities

7. Asset performance

Overview

Langstane carries out a data-led strategic asset management review of its properties every three years, with interim reviews as and when required.

The strategic review uses a range of data to categorise properties as either red, amber or green based on their performance against a range of indicators. The current indicators and category thresholds are set out below along with the approach taken to each category.

RAG Indicator	Red	Amber	Green
NPV	£0 or less	£1 to £9,999	£10,000 or more
Stock turnover	3 times or more in past 3 years	2 times in past 3 years	Once or less in past 3 years
Void days in past 3 years	91 or more days	31 to 90 days	30 or less days
Refusals in past 3 years	2 or more on average per year	More than 1 but 2 or less on average	1 or less on average per year
Length of tenancy	Less than 5 years	Between 5 and 9 years	10 or more years
SAP rating (2016 & 2019 reviews)	Less than 61	61 to 68	69 or higher
EESSH2 rating (2022 review)	Less than 76	76 to 80	81 or higher

Table 5 - Indicators used for strategic asset review

Strategic reviews have been carried out in 2016, 2019 and most recently in 2022. The 2022 review was carried out with the assistance of an external consultant to validate the input data and provide additional analysis of the findings.

The results of the 2022 review, and comparisons with previous reviews, are detailed overleaf. As Langstane has 100% ownership of all its schemes, strategic stock decisions are generally made at scheme level, therefore scheme level results are shown below. Property level results are provided at Appendix 5 – strategic asset review – property level results

Financial performance

The financial performance or Net Present Value (NPV) of properties is calculated based on:

- Income based on rental charges
- Expenditure based on:
    - Repairs costs over the most recent three year period
    - Void costs over the most recent three year period
    - Predicted 30 year investment costs
    - Management costs

A comparison of NPVs at scheme level over the three reviews is shown in Figure 23.

2022 financial performance has improved slightly with more properties achieving improved cashflow than in previous exercises.

The financial performance of schemes is generally good with only 1.33% (which equates to 2 schemes totalling 12 properties) having a negative NPV compared to 6 schemes totalling 65 properties in 2019. The average 30-year NPV across all properties is £28,435, which means that on average our homes generate sufficient rental income to cover their associated expenditure.

At present this NPV calculation does not include the cost of meeting the new Social Housing Net Zero Standard and it is a priority for Langstane to incorporate this cost into the strategic asset management review.

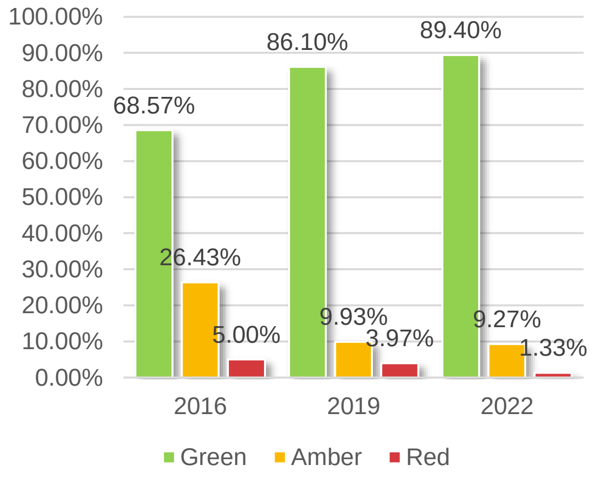


Figure 23 - NPV RAG rating by scheme - comparison from last three reviews

Non-financial performance

The non-financial performance of properties looks at ‘softer’ indicators, which are outlined in Table 6 earlier in this section.

The main change to 2022 indicators is the introduction of an EESSH2 indicator. This indicator considers the potential future EPC rating if all recommended energy efficiency works are carried out to a property.

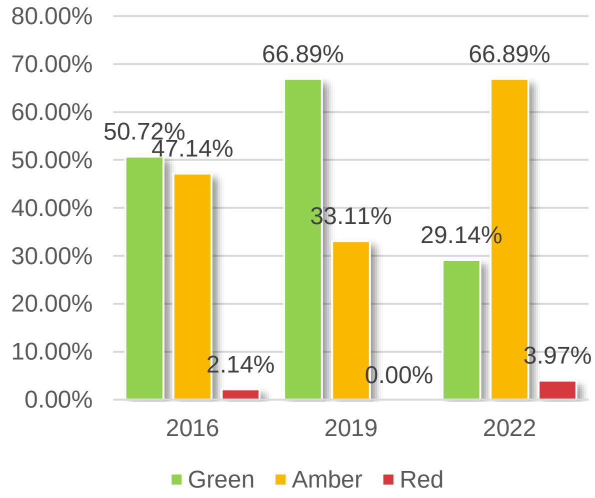


Figure 24 - non-financial RAG rating by scheme - comparison from last three reviews

Unfortunately this indicator is already potentially redundant as EESSH2 has been temporarily set aside by the Scottish Government while the targets are reviewed and brought in line with decarbonisation targets. The introduction of the EESSH2 indicator to our model has had a detrimental effect on the performance results and this is shown in Figure 24.

The number of Green schemes has dropped significantly and 3.97% (equivalent to 6 schemes totalling 49 properties) are classed as Red

compared to none in 2019. This change in performance is almost wholly due to the introduction of the EESSH2 indicator.

Overall performance

As might be expected, the drop in non-financial performance has impacted on the overall performance scores of schemes resulting in a reduction in the number of Green schemes and a corresponding increase in Amber schemes.

There are no schemes classed as Red in the 2022 review.

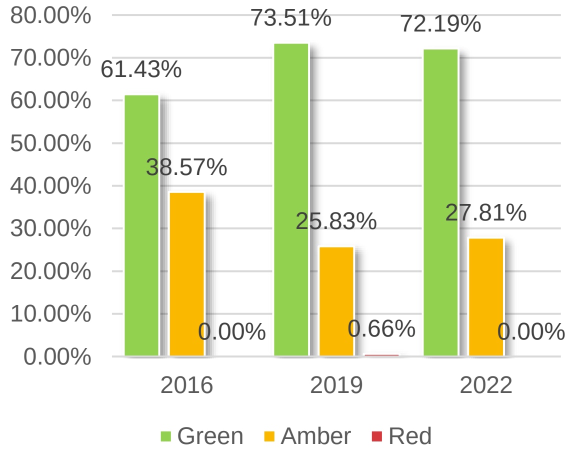


Figure 25 - overall RAG rating by scheme - comparison from last three reviews

Decision making matrix

A decision making matrix is used to identify which schemes require further action. The matrix is shown below, along with the number of schemes that fall into each category.

		Financial score		
Non-financial score		Red <0	Amber £0 - £9,999	Green >=£10,000
	Red >17	Disinvest 0	Reprovision 3	Manage 3
	Amber >13 - 17	Reprovision / disinvest 2	Invest / manage 11	Maintain 88
	Green <=13	Invest / manage 0	Invest / manage 0	Maintain 44

Figure 26 - decision making matrix at scheme level

The scatter graph below shows the plots schemes based on their non-financial performance and NPV.

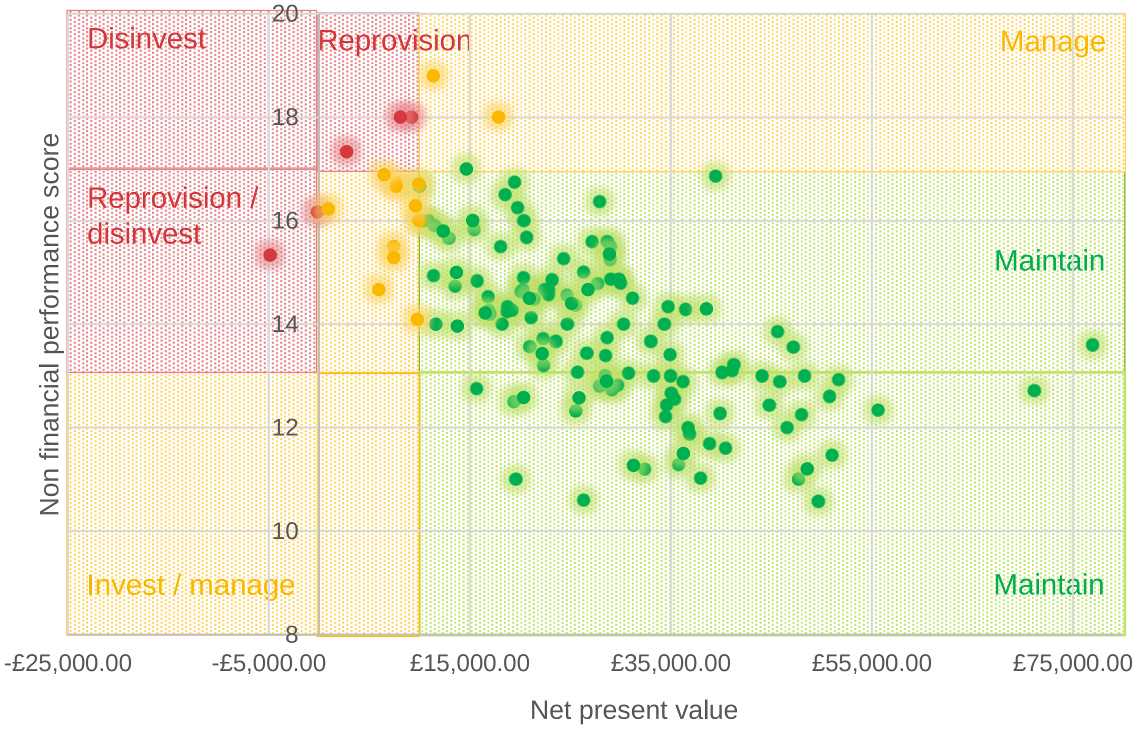


Figure 27 - scatter graph showing placement of each scheme based on financial (NPV) and non-financial RAG performance

The decision-making matrix and scatter graph identify five schemes, totalling 55 properties, that require further investigation.

These five schemes will be reviewed as follows:

- Data behind the performance scores will be interrogated to ensure there are no errors causing the poor scoring.
- If incorrect data is found, the data will be corrected and the strategic modelling for the affected schemes will be rerun.
- If no data errors are found, the schemes will undergo an options appraisal to determine the most appropriate action – options may include disposal, reconfiguration / redevelopment or management / investment intervention.

Further details on the five schemes can be found at Appendix 6 – under-performing schemes - information

The remainder of our stock is considered our core stock and is currently performing adequately for against our chosen indicators.

8. Our ambitions

The previous sections in this Strategy have outlined how Langstane currently approaches asset management, described some of the main challenges we face and the external influences that will influence us going forward.

Over the next section, we set out our ambitions for this Strategy and what we hope to have achieved by 2029. At the heart of all of these ambitions are our customers and we will listen to, and involve, customers wherever possible in developing our services.

A detailed action plan at Appendix 1 sets out how we will deliver on each of the ambitions.

By 2029:

- **We will be actively future-proofing our property portfolio to ensure it is resilient**
- **We will be visibly demonstrating our commitment to achieving net zero / decarbonisation by 2045**
- **We will be continuing to ensure the safety of our homes and communities**
- **We will be delivering a repairs and maintenance service that is modern, proactive and professional and offers an excellent customer experience**

By 2029:

We will be actively future-proofing our property portfolio to ensure it is resilient

The challenge:

Our property profile includes a high proportion studio flats and single person flats (1126 or almost 40% of social rented portfolio). This means that we see a higher turnover than our peers, and in turn this leads to increased void costs and void rental losses.

In addition, we are currently seeing a sustained period of low demand for some of our smaller property types due to increased supply of social housing, particularly in Aberdeen city, and limited waiting lists.

Innovative solutions are needed to turn this around and ensure that we have a core property portfolio that is modern, attractive and lettable and that properties that don't meet this standard are accurately identified and either disposed of, demolished and rebuilt, reconfigured or otherwise managed.

Our response:

We will have updated the portfolio and property standards we use to make investment decisions and will have a plan to future-proof our homes

In the early years of this Strategy we will set out our future-proofing plan, identifying those properties that require action, understanding the income and expenditure implications and, wherever possible, incorporating other work such as net zero / decarbonisation improvements and component upgrades so that we take a holistic approach.

In particular we will focus on reducing the proportion of single person properties by reconfiguring into more appropriate layouts, and by introducing a small new build development programme to deliver family and older persons homes.

In order to identify existing properties that require action, we currently strategically review our portfolio bi-annually using hard and soft indicators that were developed in 2016. These indicators identify under-performing properties based primarily on historic information – the results are snapshots or moments in time and a property's performance can improve by the next review without any planned intervention.

To future-proof our portfolio we need to make brave decisions about disposal, demolition or reconfiguration of some of our homes. We must have confidence in our decisions and the methods used to reach them and so we need to review our range of strategic indicators with a focus on developing indicators that don't just rely on the past performance of properties but are also able to look ahead to determine whether they will meet the expectations of future customers.

In order to build indicators that will assist us in future-proofing our properties we need to define what we want a Langstane Home to look like. This means understanding what current and prospective tenants expect in a home, as well as understanding the impact of net zero / decarbonisation and Housing to 2040 and considering changing requirements such as adaptability, access to outdoor space and space for homeworking.

We will develop a Langstane Home standard that defines our minimum expectations for a Langstane Home and measures each home against this, identifying homes that meet, don't meet or can't meet the standard. We will build this standard into our strategic asset review process to ensure that our decision-making takes both the past and the future into account.

We will have updated our Development Strategy, Policy and procedures to ensure new build and reconfiguration projects are viable and well governed

Taking forward a mixed programme of new build and reconfiguration projects will require a robust approach to ensure that projects are viable, appropriate funding is available and we are focussing on delivering the right projects in the right places, to the best quality possible.

Prior to ceasing new-build development in 2018 we developed a robust Development Strategy, Policy and procedures. There have been substantial changes to the grant funding regime and building regulations since that time, along with increases in construction costs. These will all need to be considered in the review of our Development Strategy and associated processes. Our viability targets for new developments and reconfigurations will be reviewed to ensure they match business planning assumptions. This work will help to give confidence to potential funders as we seek private finance to allow us to deliver our plans.

We will have embarked on a programme to dispose, demolish & rebuild or reconfigure existing homes

We will aim to have completed the preparatory work and obtained funding to allow a pilot reconfiguration project to start on site in 2027, with the aim of improving up to 50 existing properties by the end of this Strategy period (2029).

We will aim to deliver up to 20 new family homes or older persons housing by the end of this Strategy period.

Resource requirements:

Strategic asset review software upgrade and new indicators	£15,000
Reconfiguration of 50 properties (with associated net zero work)	£3,500,000
Delivery of 20 new build family / older persons homes (assuming approx. £2,200,000 grant funding depending on design / specification)	£2,000,000
Additional employee resource – 1 x Manager (from 2024/25), 1 x Project Officer (from 2026/27)	£100,000 per annum

By 2029:

We will be visibly demonstrating our commitment to achieving net zero / decarbonisation by 2045

The challenge:

Although our homes have an average EPC rating that is higher than the national average, we have a lot of work to do to achieve carbon neutrality.

- 2,450 of our homes are heated by gas and will require the installation of clean heating.
- 284 of our homes are uninsulated granite tenement flats and will require insulating.
- A further 1,350 homes have 50mm or less of wall insulation and may require partial upgrades in order to be sufficiently insulated for clean heating solutions to work efficiently.

Ou ambition to achieve net zero by 2045 will need to consider how we will approach interim targets defined in the Social Housing Net Zero Standard, anticipated in 2025. The first of these targets will potentially need to be achieved by 2028 (fabric) with further targets due in 2030 (clean heating), 2033 (fabric), 2040 (clean heating) and then 2045 (clean heating and possibly fabric).

We want to deliver our net zero work in a planned way that is as affordable as possible for us and our tenants. We will want to combine work so that fabric, clean heating, component upgrades and, in some properties, reconfiguration are undertaken holistically wherever possible. This improves value for money and reduces disruption to tenants. Interim targets may hinder our ability to approach work this way.

Net zero work is generally not income generating and there is no commitment to grant funding for upgrading existing homes beyond 2026. Our ability to achieve net zero will be reliant on identifying appropriate funding. As well as initial installation costs we also need to build the ongoing servicing and replacement costs of technology into our investment plans.

Our response:

We will have defined our roadmap to net zero and will understand the costs involved.

In order to develop an accurate and costed plan to achieve net zero we need to fully understand our properties – their current construction and condition, EPC performance under the new EPC regime, the condition of any previous retrofit work such as cavity wall insulation, any component replacements due etc – and we need to identify the required solution – deep retrofit, partial retrofit or single solutions (heating only or fabric only for example). We need the ability to model solutions to ensure that proposals don’t negatively impact on tenant’s running costs and we need to be confident that retrofits won't cause longer term damage to our properties or the internal environment for our tenants (for instance by causing condensation).

This will take time but sound preparatory work will be essential before embarking on physical projects.

We will take a two-step approach to defining our roadmap to net zero:

Firstly, we will take an archetype approach. Using Climate Xchange guidance as a starting point we will define a range of appropriate property archetypes and high-level solutions for each archetype. We will assign the most appropriate archetype to each property and use component due dates, geography and strategic asset review information to prioritise work into delivery years.

This will allow us to more quickly define a high-level roadmap and costs. We aim to have this roadmap defined by July 2025. In order to achieve net zero by 2045 this roadmap will need to improve around 160 properties per year up to net zero standards from 2027 onwards.

Within this higher level roadmap we will aim to identify our potential compliance with the various Social Housing Net Zero Standard interim targets. This will be more challenging, given that the targets won't be fully known until 2025. Our priority will be to deliver net zero in as holistic a way as possible, combining any required fabric, heating & technology installations into one project wherever possible rather than upgrading properties in multiple visits. This may mean that we cannot comply with all of the Social Housing Net Zero interim targets.

Secondly, for each delivery year, at least two years in advance, we will develop more detailed proposals for each property, identifying the exact solution, agreeing appropriate specifications, modelling the anticipated property performance and running costs, identifying potential funding, obtaining appropriate permissions and procuring delivery contractors.

This will give us a more detailed understanding of the cost of each annual net zero programme to assist with our shorter-term forward planning.

It is anticipated that technological solutions will advance quickly over the next two decades therefore there will be little advantage in working on detailed plans too far in advance, but having two years of plans will allow us to apply for grant funding at short notice if required.

We will have completed our first deep retrofit project

Our granite tenement properties will require deeper retrofits than our post 1980 properties. It is important that we identify a solution for our tenements that is replicable and provides tenants with a warm home with affordable running costs, and also that we tie this work in with plans to reconfigure low demand flats where appropriate.

As part of the high level roadmap we will identify our first deep retrofit project and develop detailed proposals with the aim of completing the retrofit by the end of the 2027/28 financial year. We will use monitoring technologies to understand the before and after performance of the tenement to fully understand the impact of the project on building performance and running costs and inform future projects.

We will have switched more than 100 homes from gas to clean heating as well as upgrading 180 homes with older storage heating to more efficient systems. In total we will have 20% of our homes running on clean heating.

By 2029 we will aim to have switched 130 homes from gas heating to a clean heating system. We will also have upgraded around 180 older storage heating systems to more efficient alternatives.

By 2029 this will mean that 20% of our homes run off clean heating systems against a potential Scottish Government target of 10%.

Beyond 2029 we will need to switch around 160 properties from gas to clean heating every year to achieve decarbonisation by 2045.

We will be demonstrating our wider commitment to our environmental responsibilities by making evidenced progress on our Environmental, Social & Governance (ESG) action plan

Our ESG action plan sets out a number of property related actions to be progressed as part of our commitment as adopter of Sustainability Reporting Standards. These include:

- Quantifying the emissions from our properties (domestic and non-domestic) and setting targets for emission reduction. This will be done alongside the development of our net zero roadmap
- Having a strategy to manage pollutants, waste and water use
- Having a responsible approach to specifying and purchasing construction materials
- Having employer's requirements for contracts that are clear about our environmental expectations

Resource requirements:

Net zero deep retrofit	Included in reconfiguration costs
Clean heating to 130 homes (costs shown for 80 homes with 50 included in reconfiguration costs) Additional cost of servicing and replacement to be built into longer term investment plans	£800,000 (extra over cost)
Upgrade of 180 older storage heating to more efficient systems (Additional cost of servicing and replacement to be built into longer term investment plans)	£1,800,000
Additional fabric upgrades / technologies / ventilation alongside clean heating installations to ensure just transition (costs shown for 80 homes with 50 included in reconfiguration costs)	£800,000
Additional employee resource – 1 x Sustainability Officer (part-time) (from 2025/26)	£30,000

By 2029:

We will be continuing to ensure the safety of our homes and communities

The challenge:

Tenant safety is a priority for Langstane. In response to the growing focus on safety, in 2019 we created a dedicated team to manage safety programmes of work including gas safety, electrical safety, fire safety, lift safety, asbestos and legionella management.

In recent years a number of high-profile safety concerns – including cladding, condensation and RAAC – have demonstrated how important it is for Langstane to be agile and able to respond quickly to implement new ways of working or interrogate property information to rule out risks.

Tenant safety will continue to be an area of focus for our Regulator, insurers, funders and for our customers and there will no doubt be new safety concerns that come to the fore over the coming years. We have a strong approach to safety but we know that there is always room for improvement.

In terms of community safety, in recent years we have seen an increase in anti-social issues in some of our schemes including visible drug-dealing, fly-tipping and loitering. It is important that we find ways to combat this behaviour through both design and management so that our tenants feel safe.

Our response:

We will continue to ensure that our homes meet all applicable safety requirements

We set targets of 100% compliance across all our safety programmes and we will continue to aim to achieve full compliance. To support this we will ensure that our policies and procedures are regularly reviewed and kept up to date and that the software systems we use to manage our programmes of work are effective and reliable.

A number of upcoming safety areas will have been fully reviewed and any actions implemented by 2029. These include a review of all buildings over four storeys to determine their requirement for a single building assessment, and the collation of information on all communal fire doors across our schemes and any remedial work or replacements required, starting with our higher risk schemes.

We will be using a risk-based approach to determine where it is appropriate to exceed safety requirements

Langstane has already taken a risk-based approach to some elements of safety, for instance electing to install communal detection in all schemes to take account of the age of our schemes and a number of malicious communal fires. Similarly, we are starting to collate information on asbestos in domestic properties in order to provide additional protection to our customers and contractors.

We will ensure this risk based approach is used for all areas of safety, complying with legislation and regulation as a minimum but exceeding these where we have identified that this would further reduce the risk for our customers.

We will also look beyond the more obvious legislative areas of safety to develop consistent approaches to other safety issues that we encounter such as infestations, which may become more common as the climate changes, and fire safety issues arising from tenancy neglect.

We will be utilising technology to manage safety programmes and proactively identify the risk of condensation and/or fuel poverty

As the range of safety issues grow, managing programmes of work and sharing information with contractors and customers is becoming more complex. We will review our use of technology to maximise the benefits it can offer.

In particular we will determine a strategy for the use of remote monitoring in homes. To date we have 40 remote sensors in homes which monitor temperature and humidity. These provide early warning of homes that are at risk of condensation issues and identify properties where there is little or no utility use and where there might be a risk of fuel poverty. This type of monitoring will become more essential as we insulate our homes to higher levels.

We will be investing in the safety and security of our schemes

A sense of safety in communities and schemes can be influenced by a number of factors including how overlooked spaces are, a sense of ownership over spaces, the design of lighting, the suitability of boundary treatments such as fences and the quality of spaces.

We will allocate an annual ‘Safe Spaces’ budget to allow us to proactively improve the sense of safety in schemes, particularly those where tenants tell us they are concerned about safety. The ‘Safe Spaces’ budget will be used to fund design solutions that improve safety or security which might include:

- Bringing under-used spaces such as former laundries or storerooms back to use as spaces that the residents can use – we will aim to rehabilitate three under-used spaces by 2029
- Providing additional lighting to internal or external communal areas, particularly to cover vulnerable spaces
- Providing gates, barriers or additional boundary treatments to improve security
- Providing CCTV

We will have upgraded communal areas to LED lighting in 50% of our schemes

Over the life of this Strategy we will aim to upgrade communal lighting in 50% of our schemes to LED lighting controlled by movement sensors to improve the illumination of communal spaces, and increase safety. In addition this will help to reduce the communal electricity charges for our tenants.

We will be involving customers in the development of safety approaches

Our approaches to safety will be most effective if tenants are involved in their development an implementation. We will develop a clear communication plan for sharing information on safety with tenants and for consulting on changes to safety approaches.

Resource requirements:

Increased use of remote monitoring sensors – assume 100 homes added per year	£50,000 per year (sensors) Additional £6,000 per year portal costs
Fire door remedial work and replacements	£50,000 per year (tbc)
Single building assessment work	tbc
'Safe Spaces' budget	£30,000 per year
LED lighting to minimum 50% of schemes	£500,000

By 2029:

We will be delivering a repairs and maintenance service that is modern, proactive and professional and offers an excellent customer experience

The challenge:

Many of our customers only interaction with Langstane will be in relation to a repairs issue and a poor experience with a repair will impact on how they feel about Langstane as a whole.

Currently our service is failing to meet some customers expectations and it is a priority for this Strategy that the service is improved and that customer satisfaction is increased. In particular we need to focus on improving communication with customers throughout the repairs process, ensuring repairs are completed quickly and to a good standard and increasing the quality of feedback from customers.

Our response:

We will have involved customers in a review of our repairs service and will have implemented the necessary changes.

We need to modernise the way we deliver our repairs service and, to do this effectively, we need to work with customers to understand where we are failing and why, and what they want to see improve.

Over the first 18 months of this Strategy, in conjunction with customers, we will develop a plan to revitalise and modernise our repairs service. This will consider a diverse range of issues including repair reporting methods, communication with customers, communication with contractors, quality of repairs, opening hours and feedback / survey methods.

We will aim to have fully implemented the plan by 2029.

We will have a clear plan for the future of our in-house DLO

In the past year we have invested in our DLO, implementing new scheduling software which provides real-time updates to customers. Our DLO deliver around 40% of our responsive repairs and, in comparison to external contractors, generally deliver repairs more quickly and get better feedback from customers.

In 2021 we conducted a review of our DLO to determine whether to bring additional work (focusing on void repairs) in-house. At that time the review determined there would be no financial benefit to Langstane but it would be prudent to revisit the review alongside the wider review of the repairs service, particularly in the context of rising repair numbers and costs.

We will have increased satisfaction with the repairs service to 90%

If plans to modernise the repairs service are implemented successfully we expect to see an increase in satisfaction with repairs. The delivery of repairs will play an important part in this but from an in-house perspective we will also ensure:

- All employees are focused on excellent customer service and take ownership of issues
- Property officers are visible to their customers and have time to visit each of their schemes at least quarterly to proactively identify issues and hold drop-in sessions with tenants
- Contracts are being well managed with regular performance meetings with contractors (internal and external)
- A good response rate is being obtained for customer feedback surveys and the feedback is being used to drive improvement

We will have implemented our new Lettable Standard and increased satisfaction with the quality of home when moving in to 98%

In 2023/24 our void Lettable Standard was reviewed and the revised standard will be implemented from 1st April 2024. The standard will focus on:

- Achieving a faster turnaround for void works by carrying out certain repairs pre or post-void.
- Ensuring all safety works are carried out during the void period, including upgrading of fire doors
- Ensuring that all incoming tenants are provided with a clean, safe, secure, warm home that is in a good state of repair
- Ensuring that any flooring or certain soft furnishings left behind by outgoing tenants are retained for future tenants, or donated to charities, to reduce waste to landfill

We expect successful implementation of the Lettable Standard to reduce void refusals, particularly in relation to property condition, improve void turnaround times and ensure that we achieve 98% satisfaction with the quality of home when moving in by 2029.

We will have robustly reviewed our 1, 5 and 30 year investment plans to focus on the right priorities and will have increased satisfaction with the quality of home to 90%

In 2020, in conjunction with Arneil Johnson, we reviewed our investment plans to ensure we could deliver on our repairs and maintenance obligations. These plans are updated annually at a high level.

We will completely review our investment plans to take account of:

- Net zero plans
- Increasing safety requirements
- Rising cost of repairs, maintenance and voids due to inflation
- Commitments within this strategy

We will aim to increase investment on customer priorities such as windows and doors.

Resource requirements:

Repair service / DLO review and implementation	£25,000
Extra over cost of increased Lettable Standard	£1,200 per property (budgeted for)

Appendices

Appendix 1 – detailed action plan

Ambition 1

We will be future-proofing our property portfolio to ensure it is resilient			
Action	**Target dates**	**Lead officer**	**Outputs**
With tenant input, develop a 'Langstane Home' standard to measure future desirability of properties	February 2025	Director of Property	'Langstane Home' standard agreed
Review software used for strategic performance reviews	October 2024	Director of Property	Software identified and purchased
Review full suite of indicators used for strategic performance reviews and incorporate Langstane Home indicator	October 2024	Director of Property	Updated indicators with RAG thresholds
Using Langstane Home indicator, develop a future-proofing plan *(tie in with net zero plan below)*	July 2025	Director of Property	Scheme and property level costed rationalisation / net zero plan
Continue to carry out bi-annual strategic reviews	July 2026 and thereafter	Director of Property	Completed bi-annual reviews
Progress with rationalisation of landbank	Aim to dispose of sites by March 2025	Director of Property	Excess sites disposed of
Publish new Development Strategy with actions to prepare for development / reconfiguration programme	December 2024	Director of Property	Development Strategy approved
Improve 50 homes to Langstane Home standard – aim for 25 homes per year	April 2027 - April 2029	Director of Property	50 homes improved

We will be future-proofing our property portfolio to ensure it is resilient			
Action	**Target dates**	**Lead officer**	**Outputs**
Deliver 20 new build homes	April 2027 - April 2029	Director of Property	20 new homes delivered
Carry out actions to achieve property related ESG targets (noted below)	See below individual target dates	Director of Property (new Manager / Property Manager)	See below
> Quantify Scope 1 and 2 emissions	December 2024	Director of Property	Scope 1 & 2 emissions figures confirmed (based on current EPCs – these will need to be redone under new EPC regime)
> Quantify Scope 3 emissions if an appropriate method can be found – include quantification of environmental benefits of hybrid working	December 2025	Director of Property	Scope 3 emissions figures confirmed (based on current EPCs – these will need to be redone under new EPC regime)
> Pilot electric van in DLO – consider with review of DLO (see Objective 3)	December 2025	Property Manager	Electric van in use by DLO operative
> Flood risk of properties	March 2024	Director of Property	Flood risk understood at property level and flood mitigation / response plan in place
> Sustainability welcome pack for new tenants (tie into overall review of tenant welcome pack – see Objective 4)	October 2024	Property Manager / Housing Manager	Updated welcome pack for new tenants
> Environmental audit of Langstane offices (Aberdeen, Elgin, Fraser Court)	August 2024	Property Manager	Environmental audit complete with recommendations
> Biodiversity action plan	October 2025 (ahead of gardening retender June 2026)	Housing Manager	Identified sites on schemes with potential to increase biodiversity
> Waste management / pollutants strategy	December 2025	Director of Property	Waste management strategy in place and used on repairs contracts

We will be future-proofing our property portfolio to ensure it is resilient			
Action	**Target dates**	**Lead officer**	**Outputs**
> Updated Employers Requirements for maintenance	March 2025	Property Manager	Updated Employer Requirements drafted and used on maintenance contracts
> Responsible purchasing plan with targets for DLO	March 2025	Property Manager	Responsible purchasing plan in place and targets set for DLO

Ambition 2

We will be visibly demonstrating our commitment to achieving net zero / decarbonisation by 2045			
Action	**Target dates**	**Lead officer**	**Outputs**
Agree net zero property archetypes and technical solutions (high level)	October 2024	Director of Property	
Develop a roadmap to net zero based on archetypes with costs – tie in with future-proofing plan, component replacements and condition data	July 2025	Director of Property	Archetype level roadmap to achieve net zero by 2045 – cross-linked with future-proofing plan where appropriate
Identify potential modelling tool to assist with net zero planning	October 2024	Director of Property	Modelling tool identified – budget agreed for purchase 2025/26
Renew EPCs for properties using new EPC regime (new regime will be in place from 2025?)		Property Manager	Programme of EPCs renewals in place and budgeted for
Prepare property level detailed delivery plans developed annually, one to two years in advance	October 2026 (for 2027/28 and 2028/29)	Director of Property (specialist input required)	2-year plan in place with costs and detailed specifications.

We will be visibly demonstrating our commitment to achieving net zero / decarbonisation by 2045			
Action	**Target dates**	**Lead officer**	**Outputs**
Plan & implement pilot tenement retrofit project (funding dependant)	October 2026 – October 2028	Director of Property	Completed retrofit project with monitoring equipment - to allow replicable solutions to be identified for granite tenement blocks
Switch 130 homes from gas to clean heating with associated fabric upgrades and technologies	April 2027 – April 2029	Property Manager	130 gas homes improved to net zero
Upgrade 180 homes with old storage heating to more efficient clean heating with associated fabric upgrades and technologies	April 2025 – April 2029	Property Manager	180 electrically heated homes improved to net zero
Carry out actions to achieve property related ESG targets (noted below)	See below individual target dates	Director of Property (new Manager / Property Manager)	See below
> Quantify Scope 1 and 2 emissions	December 2024	Director of Property	Scope 1 & 2 emissions figures confirmed (based on current EPCs – these will need to be redone under new EPC regime)
> Quantify Scope 3 emissions if an appropriate method can be found – include quantification of environmental benefits of hybrid working	December 2025	Director of Property	Scope 3 emissions figures confirmed (based on current EPCs – these will need to be redone under new EPC regime)
> Pilot electric van in DLO – consider with review of DLO (see Objective 3)	December 2025	Property Manager	Electric van in use by DLO operative
> Flood risk of properties	March 2024	Director of Property	Flood risk understood at property level and flood mitigation / response plan in place
> Sustainability welcome pack for new tenants (tie into overall review of tenant welcome pack – see Objective 4)	October 2024	Property Manager / Housing Manager	Updated welcome pack for new tenants

We will be visibly demonstrating our commitment to achieving net zero / decarbonisation by 2045			
Action	**Target dates**	**Lead officer**	**Outputs**
> Environmental audit of Langstane offices (Aberdeen, Elgin, Fraser Court)	August 2024	Property Manager	Environmental audits complete with recommendations
> Biodiversity action plan	October 2025 (ahead of gardening retender June 2026)	Housing Manager	Identified sites on schemes with potential to increase biodiversity
> Waste management / pollutants strategy	December 2025	Director of Property	Waste management strategy in place and used on repairs contracts
> Updated Employers Requirements for maintenance	March 2025	Property Manager	Updated Employer Requirements drafted and used on maintenance contracts
> Responsible purchasing plan with targets for DLO	March 2025	Property Manager	Responsible purchasing plan in place and targets set for DLO

Ambition 3

We will be continuing to provide customers with homes and communities that are safe			
Action	**Target dates**	**Lead officer**	**Outputs**
Complete review of safety policies and develop new policies / procedures where required	December 2024 (existing policies) and ongoing (for new policies as and when required)	Director of Property	All required policies / procedures in place
Implement annual testing of the Emergency Response Plan for Tenancies	March 2025 and annually thereafter	Director of Property	Annual test of response plan complete

We will be continuing to provide customers with homes and communities that are safe			
Action	**Target dates**	**Lead officer**	**Outputs**
Implement Landlord Facilities Safety group with responsibility for monitoring safety performance	March 2024 and quarterley thereafter	Director of Property	Landlord Facilities Safety Group meeting regularly
Review of technology used for safety management to ensure effectiveness	October 2024 (to tie in with gas contract renewal)	Team Leader -Property Compliance	Technology reviewed and any additional requirements identified and costed for 2025/26 budget
Review 5+ storey buildings to identify any that may require an SBA. Identify SBA assessor, confirm cost and implement programme	Identify potential SBA properties – October 2024 Start SBAs – date tbc dependant on availability of SBA assessor and finalisation of Bill	Property Manager	List of SBA properties SBA assessor/s identified SBA programme in place
Collate information on fire doors and implement programme of improvement works where required	6+ storeys – December 2024 4+ storeys – December 2025	Team Leader – Property Compliance	Fire door information collated and imported to stock condition data module
Utilise asset tagging (QR codes or similar) to allow access to and update of compliance data on site where required	Roll out with fire door surveys (above)	Team Leader – Property Compliance	Fire doors asset tagged Rolled out to other assets as required
Safe Spaces budget implemented	April 2025 and annually thereafter	Property Manager	Budget in place and expended annually
Rehabilitation of underused spaces in schemes	April 2025 onwards	Property Manager	3 spaces rehabilitated by 2029

Ambition 4

We will be delivering a repairs and maintenance service that is modern, proactive and professional and offers and excellent customer experience			
Action	**Target dates**	**Lead officer**	**Outputs**
Review 1, 5 and 30 year plans	October 2025	Director of Property	Detailed 1-5 year plans in place High level 30 year plans in place
Implement contractor portal	March 2024 and thereafter	Team Leader – Repairs & Voids	Contractors administering repairs via portal
Retender repairs contract and broaden approved contractor list for specialist work	October 2024	Property Manager	New framework of contractors in place Repairs performance improves
Work with tenants and scrutiny group to develop and implement improvement plan for repairs service, focussing on achieving increased customer satisfaction	October 2025	Property Manager	Clear improvement / service development plan in place Following implementation of plan – satisfaction with repairs increased to 90% (see below)
Carry out an updated review of DLO and develop business plan for next five years	Updated review - October 2025 Implementation (if required dependant on outcome of review) – April 2026 onwards	Director of Property	DLO business case complete with recommendations
Implement Lettable Standard	April 2024 onwards	Property Manager	By April 2025 – reduced refusals for property condition

We will be delivering a repairs and maintenance service that is modern, proactive and professional and offers and excellent customer experience			
Action	**Target dates**	**Lead officer**	**Outputs**
			By April 2026 – satisfaction with quality of home when moving in increased to 98%
Introduce quarterly drop in sessions / officer visits to schemes	October 2024 onwards	Property Manager	Increase in repairs identified by staff Increased visibility of Officers at schemes
Review approach to collecting customer feedback and increase satisfaction with repairs to 90%	May 2024	Property Manager	Increased response rate Increased satisfaction: March 2026 – 85% March 2027 – 87% March 2028 – 90%

Appendix 2 – potential disposals

Properties on the potential disposals list will be reviewed at each change of tenancy. A number of factors are taken into account when determining whether to dispose at a change of tenancy, including the current property market and demand for the property.

Potential disposal properties are not used as security for funding purposes.

Single flats
56 Commerce Steet, Aberdeen (1st floor left, tenement flat)
52E Bedford Road, Aberdeen (2nd floor left, tenement flat)
6 Charles Street, Aberdeen (1st floor left, tenement flat)
10 Esslemont Avenue, Aberdeen (ground floor right, tenement flat)
15 Howburn Place, Aberdeen (1st floor right, tenement flat)
11 Roslin Street, Aberdeen (1st floor left, tenement flat)
34 Ashwood Crescent, Aberdeen (ground floor, 4 in block flat)
12 Cairnfield Circle, Aberdeen (ground floor, flat)
52 Greenburn Drive, Aberdeen (ground floor, 4 in block flat)
57 Hebenton Road, Elgin (first floor, 4 in block flat)
3 Cathedral Court, Elgin (ground floor, flat)
9 Cathedral Court, Elgin (ground floor, flat)
31 Kyd Drive, Elgin (First floor, flat)
Hostel accommodation
Arnha (upper & lower), Station Road, Ellon (8 bedrooms)
Seabank House, 57 Dee Street, Aberdeen (19 bedrooms)
Wernham House, Virginia Street, Aberdeen (17 bedrooms)
Westburn Road, Aberdeen (12 bedrooms)

(8,13,15,16,17 & 18 Garmouth Place, Lhanbryde are single flats in factored blocks and are not currently considered for disposal)

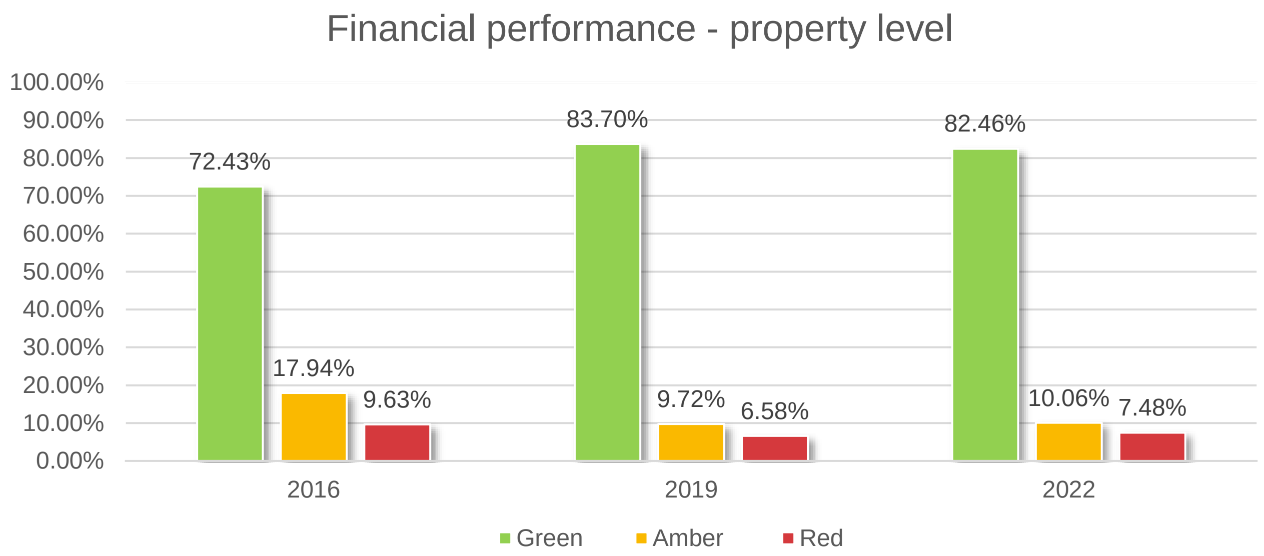
Appendix 3 – commercial properties

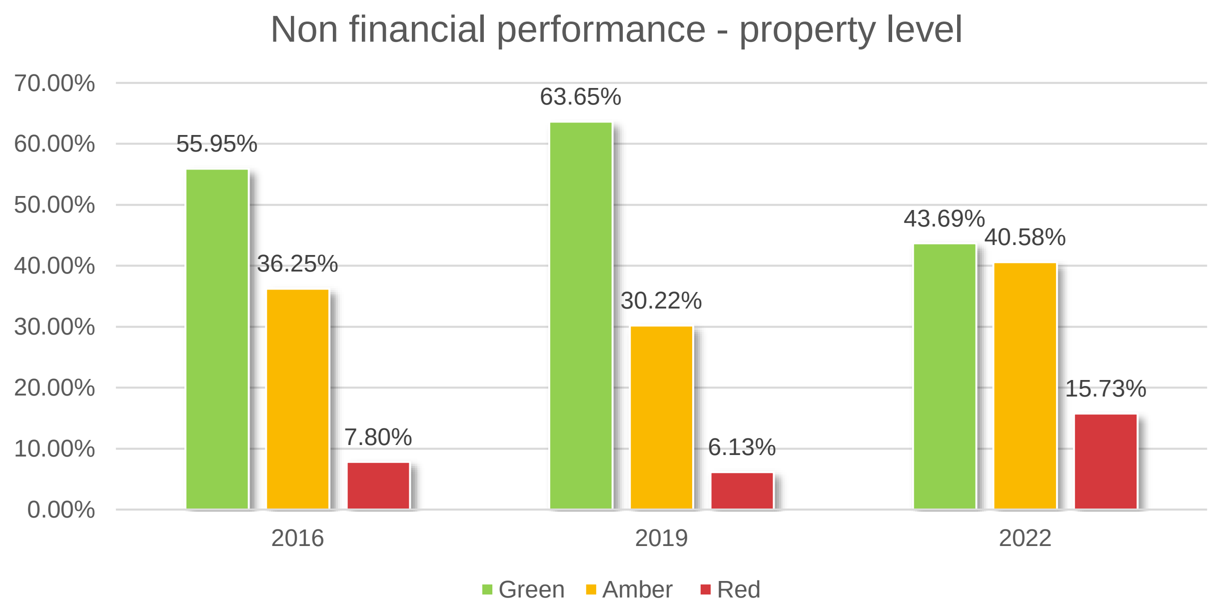
Commercial unit	Current use
King Street, Aberdeen	Langstane headquarters
Fraser Court, Aberdeen	Scheme based office, currently vacant. Potential future use as base for Langstane Housing Support team
North Guildry Street, Elgin	Langstane Moray office
Office 1, Union Street, Aberdeen	Office leased to Citizens Advice Bureau
Office 2, Union Street, Aberdeen	Office leased to Aberdeen in Recovery
The Crafty Café, Kintore	Café space managed by third party
1 Kirk Street, Peterhead	Office leased to Foyer

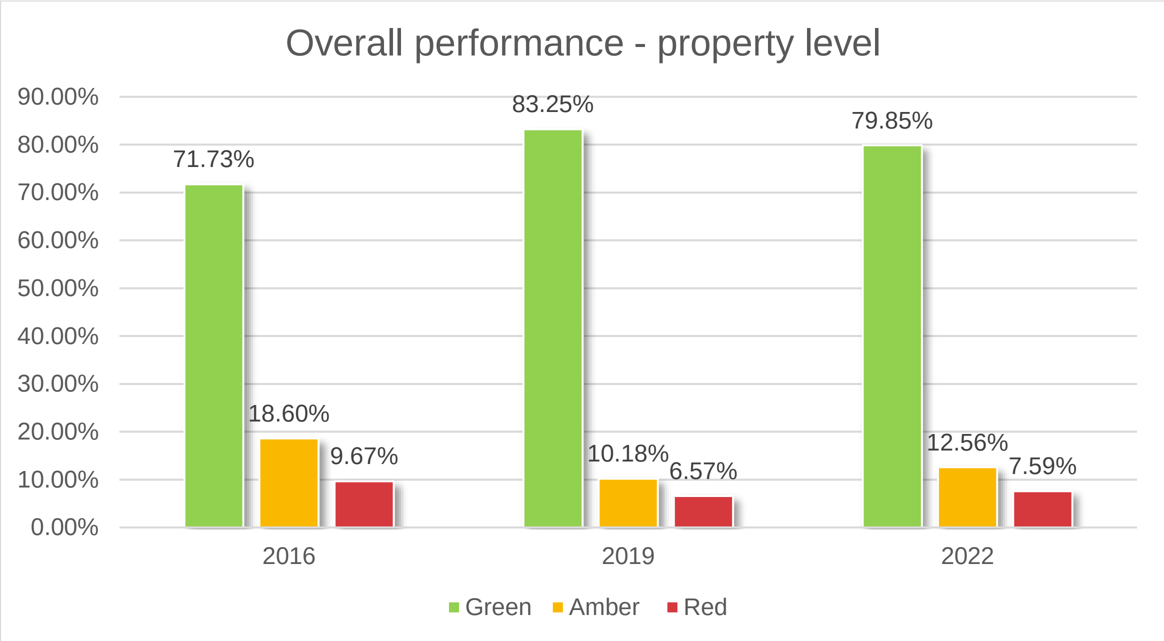
Appendix 4 – Community spaces

Scheme	Community assets
Anderson Gardens / Anderson Court, Fraserburgh	Play park area
Ashgrove Road, Aberdeen	9 x stores and 3 x drying rooms
Bloomfield Road, Aberdeen	Former laundry room
Charlotte Gardens, Aberdeen	2 x store rooms
Charlotte Street, Aberdeen	Basement store
Cloverfield Close, Aberdeen	Play park area
Crombie Court, Aberdeen	2 x store rooms
Fraser Court, Aberdeen	Community room
Froghall Road, Aberdeen	Store room
665 George Street, Aberdeen	Cellar and store room
Guildry House, Elgin	Garage
139 King Street, Aberdeen	Basement store
358 King Street, Aberdeen	Basement stores
Marischal Steet, Aberdeen	Garage and store room
Stevenson Court, Aberdeen	Former caretaker's office and 4 x store rooms
Sutherland Avenue, Peterhead	Play park
Tillydrone Road, Aberdeen	2 x store rooms

Appendix 5 – strategic asset review – property level results






Overall performance - property level
90.00%
80.00%
70.00%
60.00%
50.00%
40.00%
30.00%
20.00%
10.00%
0.00%
71.73%
18.60%
9.67%
83.25%
10.18%
6.57%
79.85%
12.56%
7.59%
2016
2019
2022
Green
Amber
Red

Appendix 6 – under-performing schemes - information

		Financial Performance	Non-financial Performance							
Scheme	Address	NPV	Void loss per unit	Repairs per unit	Turnover	Tenancy length	Refusals	EESSH2	Void	Overall non-financial score
029	1 - 6 Langstane Lane, Keith	£2,763.00	-£4,906.00	-£17,758.00	83.0%	9.00	0.83	74.00	3.67	17.33
025	1 - 6 Skene Street, Peterhead	-£165.00	-£8,126.00	-£16,420.00	66.7%	5.00	0.50	75.00	3.25	16.17
065	3A - F Kirk Street, Peterhead	-£4,860.00	-£5,710.00	-£21,674.00	66.7%	9.00	0.50	77.00	4.00	15.33
021	2A - H Seaforth Road, Aberdeen	£9,204.00	-£8,577.00	-£20,508.00	100.0%	4.00	1.56	75.00	3.56	18.00
053	Faroes Court, Lossiemouth	£8,097.00	-£3,924.00	-£13,174.00	77.30	3.00	1.91	72.00	3.95	18.00

- **1-6 Langstane Lane, Keith - reprovision**
  - 6 x 1p2a flats
- **1-6 Skene Street, Peterhead - reprovision/disinvest**
  - 5 x 1p1a (bedsit) flats, 5 x 1p2a flats, 2 x 2p3a flats (total 12 flats)
- **3A-F Kirk Street, Peterhead - reprovision/disinvest**
  - 3 x 1p2a flats, 3 x 2p2a flats (total 6 flats)
- **2A-I Seaforth Road, Aberdeen - reprovision**
  - 8 x 1p2a flats, 1 x 4p4a flat (total 9 flats)
- **Faroes Court, Lossiemouth - reprovision**
  - 20 x 1p2a flats, 2 x 2p3a flats (total 22 flats)