

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO: Housing Portfolio Holder Meeting 1 November 2007
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UPDATE ON STOCK CONDITION SURVEY REPORT

Purpose

1. To advise on the method and findings of the Stock Condition Survey carried out by independent surveyors' Savills commercial Ltd. in the autumn of 2006.

Executive Summary

2. (a) A stock condition survey was carried on 24.5% of the Council's housing stock in the autumn of 2006 to assess the condition and future maintenance liabilities. The survey's findings have recently been published and suggest the stock is generally in reasonable condition but a lack of capital investment has meant the properties could not be maintained to a recommended condition.
(b) Approximately 24% of the stock is currently 'non-decent' and the survey has identified all of the works required to meet the Government's decent homes target, this is achievable on current financial forecasts.
(c) The report provides a total forecast expenditure to improve and maintain the stock and related assets over 30-years, which equals £323.3m. This total expenditure over the 30 year-horizon falls within expected benchmarks of a stock of this type and location.
(d) These results have formed the basis of the financial analysis and modelling conducted by Tribal Consultancy

Background

3. The maintenance information held on the Council's housing stock had not been refreshed since a stock condition survey carried out in 2002. In order to have up-to-date information on the condition and future maintenance liability of its housing stock the Council duly prepared and commissioned a stock condition survey employing Ridge Consultancy (who are recognised experts in the social housing asset management field) to provide expert advice and support.
4. In September 2006 Savills (a leading surveying practice), was awarded the contract, and the survey was duly carried out between October and November 2006.
5. Solicitors - Trowers and Hamlins drew up the formal agreement signed under seal by Savills to warrant the works to the client.

Considerations

6. The survey was commissioned with a view to assessing the Council's current and future housing repairs and maintenance liability. Savills surveyed a representative

sample of 24.5% of the Council's housing stock based on the different property types and locations to ensure statistical accuracy, and the results extrapolated across the entire housing stock.

7. The survey identified that the stock is generally in a reasonable condition with evidence of whole house modernisation programmes being carried out in the past, along with an almost completed window replacement programme. However, the stock has not received the level of major capital investment necessary to maintain all the homes to a recommended condition. As a result, there are a significant number of major components that have reached/are reaching the end of their useful life and which will require renewal in the short term.
8. Approximately 24% of the stock is currently non-decent, this compares favourable with the national average of circa 43%. The survey has identified all of the works required for the decent homes obligation to be met in full by the Government's target of 31 December 2010.
9. The report provides a total forecast expenditure to improve and maintain the stock and related assets over 30-years, which equals £323.3m. This equates to £56,963 per dwelling or £1,899 per dwelling per annum. This total expenditure over the 30-year horizon falls within expected benchmarks of a stock of this type and location.
10. The results of the stock condition survey have formed the basis of the financial analysis and modelling conducted by Tribal Consultancy.

Options

11. This report is for information only.

Implications

12. The survey provides a snapshot of the condition and future maintenance liabilities of the Council's housing stock. It sets out the forecast costs for keeping the stock in a recommended condition. Consideration of how sufficient funds are made available to meet this standard are beyond the remit of this report.

Financial	The stock condition survey findings have helped to inform the Housing Futures project - as the results have assisted Tribal's financial modelling and an assessment of the council future maintenance liabilities.
Legal	The stock condition survey is warranted by Savills
Staffing	The results of the stock condition survey will be shared with staff – and will inform the Housing Futures process.
Risk Management	- The stock condition survey was commissioned and delivered in line with CLG guidance. The findings formed the basis of Tribal's financial modelling and forecasts.
Equal Opportunities	- Not specifically applicable

Consultations

13. At the beginning of the survey all tenants received written notification that a survey had been commissioned and that a surveyor may make contact to arrange an inspection of their home. During the survey Savills employed a team of independent

surveyors to visit 24.5% of the housing stock and conduct both external and internal surveys.

Effect on Annual Priorities and Corporate Objectives

14. Affordable Homes	The stock condition survey will help the council target the right properties for housing maintenance and improvements.
Customer Service	Ensuring effective targeted maintenance will enhance customer satisfaction with the service.
Northstowe and other growth areas	No specific implications
Quality, Accessible Services	Helping to ensure decent and well maintained homes
Village Life	Improving living conditions through effective maintenance and improvements
Sustainability	Understanding the maintenance needs of the Council's housing stock to ensure appropriate improvement programmes are developed for quality affordable housing is a key driver for sustainable communities.
Partnership	The Council worked with key partners to deliver this project

Recommendation

15. To note the content of this report.

Background Papers: the following background papers were used in the preparation of this report:

The Stock Condition Survey Report January 2007 prepared by Savills

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