

Stock Condition Survey

<b>Report of:</b> <i>Business Manager, Strategic Policy and Research</i>	<b>WARDS AFFECTED</b>  <b>ALL</b>
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<b>Lead Member Responsible:</b> <i>Councillor Smith</i>	
<b>Overview and Scrutiny Committee Responsibility:</b> <i>Housing Overview and Scrutiny Committee</i>	
<b>Key Decision:</b> <i>Yes</i>	

**SUMMARY AND RECOMMENDATIONS**

- **The purpose of this report is to seek authorisation to initiate a Stock Condition Survey of the Council's own housing stock.**
- **The report outlines the need for a Stock Condition Survey and identifies sources of funding within the Housing Revenue Account.**

**The Executive Board is ASKED:**

- 1. To authorise the procurement of a Stock Condition Survey through a process of competitive tendering in compliance with the Council's constitution. The specification for this Stock Condition Survey should also seek to resolve IT issues and make recommendations for tackling non-decent housing.**
- 2. To authorise the procurement of a joint Stock Condition Survey and Housing Needs Survey should such an approach offer financial and efficiency savings.**
- 3. To authorise funding of up to £200,000 for the Stock Condition Survey from within existing Housing Revenue Account resources spread over this financial year and the next.**

## Background

- 1.1 The Decent Homes Standard was introduced in 2000 as a Government commitment to bring all public sector homes up to a decent standard. It established a 10 year target and an interim target to:

*"ensure that all social housing meets set standards of decency by 2010, by reducing the number of households living in social housing that does not meet these standards by a third between 2001 and 2004 ... "*

- 1.2 This places a responsibility on councils to set a timetable for eliminating backlog repairs in their stock, carrying out ongoing maintenance and taking the necessary actions to ensure these targets are met. To achieve this, authorities will need to:
- Assess the level and type of disrepair within their stock, compared to the decent homes standard, and how much will it cost to bring homes up to standard;
  - Use an analysis of the local housing market, particularly relating to demand and supply for council housing to decide whether and where stock should be demolished;
  - Assess the options available to them for raising the necessary investment, to determine which are viable and which is the preferred option; and
  - Work to improve their repairs, maintenance and improvement services to ensure they are achieving the best value for money.
- 1.3 The Housing Revenue Account (HRA) Business Plan is intended to identify the Council's investment and expenditure priorities for its housing stock. It is the key vehicle for delivering Decent Homes and as such the Council is required to submit the HRA Business Plan and updates to the Government Office for the South East (GOSE) on an annual basis.
- 1.4 The most recent HRA Business Plan submitted to GOSE contained a commitment to fund a new Stock Condition Survey (SCS) in 2003. The last SCS was conducted in 1995 since which time there will have been considerable changes in the condition of the housing stock overall. Due to an ongoing issue with software incompatibility, data held on day to day repairs cannot be fed into the SCS. Stock condition data is currently held on the Codeman system, which is incompatible with the systems used to record repairs data. Resolving this would at least provide some information to update the SCS but would not yield an accurate picture of the current condition of all the stock.
- 1.5 It is clear from GOSE's assessment of the HRA Business Plan that there is concern over the robustness of the existing data that forms the basis for modelling the business plan. GOSE are concerned that the procurement of a new SCS is vital to informing the HRA business planning process and that the procurement of a new SCS should be treated as a matter of urgency and brought forward to this financial year. Without the commitment to procure an SCS in the current year it is unlikely that GOSE will accept this year's update of the HRA Business Plan. Furthermore, the Comprehensive Performance

Assessment will include as an indicator the development of a well-informed and viable housing business plan. A reliable SCS will be seen as an essential for a good service.

- 1.6 In addition to the completion of a new SCS it would be prudent to ensure that software compatibility issues between the new SCS database and the repairs database are resolved so that the new SCS database can be continuously updated. It is therefore proposed that an element for IT upgrades and systems solutions are included in the specification for the SCS.
- 1.7 Whilst it is possible to procure an SCS which simply provided base data on the housing stock it is also possible to seek recommendations on action to tackle housing conditions. Such recommendations would further inform and improve the robustness of the HRA Business Plan. In this way the SCS would provide:
  - Baseline data on the current condition of the stock;
  - Clear identification of the finance required to bring all stock up to the Decent Homes standard; and
  - Practical options for meeting these requirements.
- 1.8 The procurement of the new SCS will be conducted in line with guidance from the Office of the Deputy Prime Minister "Collecting Managing and Using Housing Stock Information" which advises on the processes involved in assembling and maintaining a housing stock information system, including the collection and integration of stock condition survey data. This guidance is intended to help:
  - Plan stock surveys within the framework of that system;
  - Develop a process that provides data that can be analysed flexibly and allow practitioners to investigate options for prioritising maintenance and repair work to achieve the most efficient use of available resources i.e. a "Just In Time" approach;
  - Develop a system that can be used for a variety of purposes and can cope with updating information for future analysis requirements;
  - Set priorities for data collection;
  - Understand key technical issues, in as non-technical a manner as possible; and
  - Commission and manage cost effective stock surveys.
- 1.9 The Strategic Director, Housing, Health and Community and the Business Manager, Strategic Policy will work together to draw up the detailed brief for the SCS and will commission the survey. In developing this process they will work closely with the Portfolio Holder for Housing.
- 1.10 The procurement of a Housing Needs Survey (HNS) is already funded to the sum of £40 000. The HNS is essential for the Local Plan that has recently been reviewed and placed on deposit. The Housing Needs Survey will, in particular, provide the evidence which underpins the Local Plan policies on affordable housing. Some local authorities have procured joint Needs and

Condition Surveys and it would be advisable for the Council to explore this option with a view to improving the quality of both surveys whilst seeking cost efficiency.

- 1.11 There is an existing provision in the Housing Revenue Account of £30,000 to fund an element of stock condition survey and further provision is identified in the "Housing Revenue Account Outturn and Financial Prospects" report elsewhere on this agenda.

THIS REPORT HAS BEEN SEEN AND APPROVED BY THE HOUSING PORTFOLIO HOLDER AND THE STRATEGIC DIRECTOR HOUSING AND HEALTH.

Background papers:

Collecting Managing and Using Housing Stock Information, Office of the Deputy Prime Minister

A Decent Home - the definition and guidance for measurement, Office of the Deputy Prime Minister