

# Report

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Report to:	<b>Housing and Technical Resources Committee</b>
Date of Meeting:	<b>30 June 2010</b>
Report by:	<b>Executive Director (Housing and Technical Resources)</b>

Subject:	<b>Scottish Housing Quality Standard - Stock Condition Survey 2010 Findings</b>
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## 1 Purpose of Report

1.1 The purpose of the report is to:-

- ◆ advise of the key findings of the stock condition survey which was concluded in February 2010 and on progress made by the Council in meeting the Scottish Housing Quality Standard (SHQS) for its housing stock by 2015.

## 2 Recommendation(s)

2.1 The Committee is asked to approve the following recommendation(s):-

- (1) that the findings of the stock condition survey and the current position with regard to achieving the Scottish Housing Quality Standard by 2015 be noted.
- (2) that the next steps in developing the forward investment programme be noted.
- (3) that the proposed consultation with elected members and tenants in developing the programme be noted.

## 3 Background

3.1 In February 2004, the Scottish Executive set a new national housing quality standard to encourage housing improvement across all tenures. In broad terms, to meet the Scottish Housing Quality Standard (SHQS), homes must be:

- Compliant with the basic Tolerable Standard
- Free from serious disrepair
- Energy efficient
- Fitted with modern facilities and services
- Healthy, safe and secure

3.2 All local authorities and registered social landlords (RSL's) are required to ensure their stock meets the standard by 2015, and to set out how the standard will be achieved. This is reflected in the Standard Delivery Plan. The Council's Standard Delivery Plan (SDP) which was first prepared in 2005 set out the Council's investment plans and how these would help meet the standard over the next ten years. The SDP is monitored annually by the Scottish Government and is due to be updated later this year.

3.3 As well as capturing asset management data on improvements and major repair made to the stock through the implementation of the Council's 'business plan' since 2004, the Council has previously conducted sample stock condition surveys. These

surveys in 2001 and 2005 have been used to assess the condition of the stock, the extent and urgency of future works programmes, maintenance and repair expenditure and in the last survey, set a baseline to measure the rate of progress towards the SHQS.

- 3.4 To help inform and update the SDP, the Council commissioned a sample stock condition survey in early 2009. Throughout the summer of 2009, the successful consultant's, Savills carried out a survey of 10% of the internal and external elements of the stock and 100% survey of external blocks for flatted properties. In addition as part of the commission, they carried out an energy survey and verified the information currently held by the Council in relation to stock condition.
- 3.5 At the same time Curtins Consulting Engineers carried out an assessment of a sample of our Multi-storey properties in order to determine the works requirements and associated costs for them to achieve a further 30 year lifespan. The results of this survey have been incorporated into Savills final report.
- 3.6 As the survey is representative of all stock, it provides a reliable and accurate assessment of the condition of our stock against the SHQS and the extent and cost of future expenditure needed to bring it up to standard and beyond this the repairs and maintenance requirements to keep the stock in good condition.
- 3.7 This report sets out the key findings from the survey and sets out the next steps in terms of using the data to inform and develop the investment programme to 2015.

#### **4. Stock condition survey - Key Findings**

##### **4.1 SHQS:**

- Approximately 56% of stock currently pass compared to 29% in 2005
- Savills recognised the significant investment in the stock since the previous survey and that works have been undertaken to a good standard.
- Savills consider that we are on track to meet the SHQS by the 2015 deadline.
- The Council has a robust dataset of information to enable it to plan its future investment programmes from the previous survey

##### **4.2 Energy Assessment:**

- The stock has an average Standard Assessment Procedure (SAP) rating of 63.4 compared to a national average of 54
- The stock has an average National Home efficiency Rating (NHER) of 6.6 compared to a national average of 6. (The SHQS standard is a minimum of 5).

##### **4.3 Internally:**

- The properties have benefitted from a significant internal modernisation programme which has included the installation of modern kitchens, bathrooms and re-wiring with (approximately 80% of the stock now upgraded internally)
- Whilst there has been a programme of replacing some older central heating systems there is a need to continue with this work
- Homes have good levels of insulation

##### **4.4 Externally:**

- The roof coverings are generally sound but a significant re-roofing programme will be required in the next 10 years.
- Virtually all properties have benefited from the installation of double glazed windows.
- Approximately 35% of properties would benefit from new front and rear doors.

- It was recognised that external areas have not been a priority for the Council to date and some were in need of attention

#### 4.5 Costs:

- Appendix 1 details the investment needed to the stock over the next 30 years.
- Total investment needed to the stock by 2015 in order to meet the SHQS is £166m or £6,438/property (these figures exclude the cost of Responsive/Void/Cyclical maintenance). Information on funding is provided at section 7.1.

### 5. Next Steps – Using the survey results

- 5.1 The existing phase of the programme covering internal improvements is scheduled to complete in 2011/2012. The next step is for the Council to develop a planned investment programme through to 2015 which will see all remaining works required to achieve the SHQS undertaken.
- 5.2 Further work is underway to assess the findings of the stock condition survey. This will inform the development of the works programme including priorities and specifications. At suitable points throughout this development consultation events will be arranged with tenants and elected members to discuss and agree the options available.
- 5.3 A further update on progress in the development of the future programme will be provided to Housing and Technical Resources Committee in December 2010.

### 6 Employee Implications

- 6.1 There are no employee implications arising from the report.

### 7 Financial Implications

- 7.1 The costs of £166m as detailed in section 4.5 have been factored into the 30 year Housing Investment business, which is monitored on an ongoing basis.

### 8 Other Implications

- 8.1 There are no implications for sustainability or risk in terms of the information contained within this report.

### 9 Equality Impact Assessment and Consultation Arrangements

- 9.1 This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and, therefore, no impact assessment is required.
- 9.2 There is no requirement to undertake any consultation in terms of the proposals contained within this report.

**Lindsay Freeland**  
**Executive Director (Housing and Technical Resources)**

21 May 2010

#### Link(s) to Council Objectives/Values

- ◆ Improve the quality, access and availability of housing
- ◆ Accountable, effective and efficient

**Previous References**

- ◆ None

**List of Background Papers**

- ◆ Stock condition survey

**Contact for Further Information**

If you would like to inspect the background papers or want further information, please contact:-

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## Appendix 1

### Grand Total

Element	Years 2009/15	Years 2015/20	Years 2020/25	Years 2025/30	Years 2030/35	Years 2035/40	Totals
<b>Improvements</b>	£434,400	£0	£0	£0	£0	£0	<b>£434,400</b>
<b>Planned maintenance</b>	£139,533,676	£106,208,634	£95,052,673	£133,665,763	£112,172,421	£104,753,130	<b>£691,386,295</b>
<b>Contingent Major Repairs @ 1.5%</b>	£2,099,521	£1,593,130	£1,425,790	£2,004,986	£1,682,586	£1,571,297	<b>£10,377,310</b>
<b>Asbestos Management</b>	£5,000,000	£0	£0	£0	£0	£0	<b>£5,000,000</b>
<b>Multi's - structural and M&amp;E</b>	£3,839,395	£1,398,143	£5,371,489	£10,620,378	£1,665,678	£1,476,889	<b>£24,371,972</b>
<b>Environmental Improvements</b>	£3,223,250	£6,446,500	£3,223,250	£0	£0	£0	<b>£12,893,000</b>
<b>Aids and Adaptations</b>	£11,675,000	£6,446,500	£6,446,500	£6,446,500	£6,446,500	£6,446,500	<b>£43,907,500</b>
<b>Responsive &amp; Void Maintenance</b>	£93,414,280	£77,358,000	£64,465,000	£64,465,000	£64,465,000	£64,465,000	<b>£428,632,280</b>
<b>Cyclical Maintenance</b>	£15,447,070	£10,447,070	£10,447,070	£10,447,070	£10,447,070	£10,447,070	<b>£67,682,420</b>
<b>Grand Total</b>	<b>£274,666,592</b>	<b>£209,897,976</b>	<b>£186,431,772</b>	<b>£227,649,697</b>	<b>£196,879,255</b>	<b>£189,159,885</b>	<b>£1,284,685,176</b>
<b>Total per annum</b>	<b>£54,933,318</b>	<b>£41,979,595</b>	<b>£37,286,354</b>	<b>£45,529,939</b>	<b>£39,375,851</b>	<b>£37,831,977</b>	<b>£42,822,839</b>

**Total Cost per property of the thirty years £49,821**

**Price Base October 2009**

All costs are exclusive of Professional Fees, VAT, management and administration costs and are based on today's prices. Costs are inclusive of preliminaries.