

Salisbury District Council

Final Stock Condition Survey Report - February 2006

SALISBURY DISTRICT COUNCIL

STOCK CONDITION SURVEY

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APPENDICES

- Appendix 1** Summary of All Costs
- Appendix 2** Element Costs
- Appendix 3** Schedules of Rates and Life Cycles
- Appendix 4** Detailed Decent Homes Analysis and Guidance
- Appendix 5** Limitations of Survey
- Appendix 6** Asbestos Information
- Appendix 7** Non-trad report

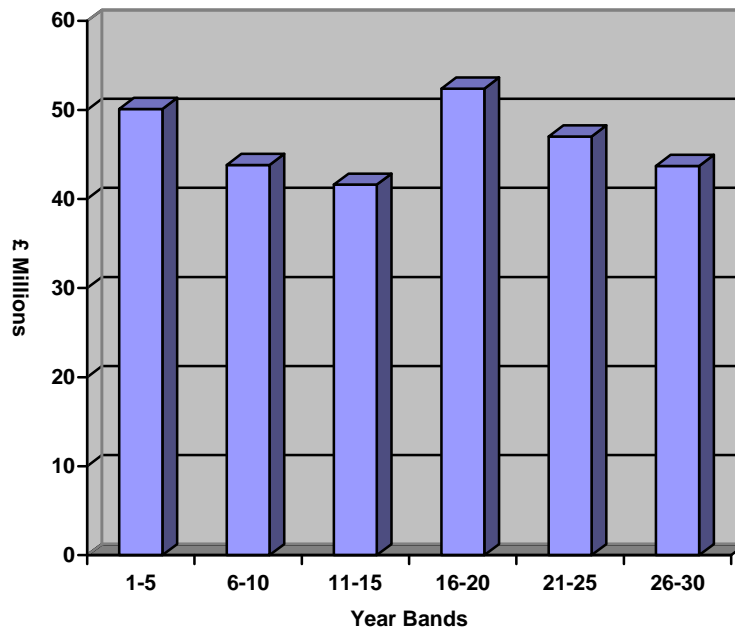
SALISBURY DISTRICT COUNCIL STOCK CONDITION SURVEY

PART A - EXECUTIVE SUMMARY

- 1.0 Savills were invited to tender for a stock condition survey by Salisbury District Council and we duly submitted our proposal in October 2005, following further discussions we were instructed to undertake the work. In summary, the main objectives of the exercise were:
- a. To provide accurate and statistically reliable information concerning repairs and maintenance as well as improvement costs forecast over a 30 year term;
 - b. To collect, validate and report upon attribute and condition information about the stock for the purpose of improving existing records and future maintenance planning;
 - c. To facilitate and inform the transfer of the stock to a new RSL.;
 - d. To measure the stock against the decent homes standard;
 - e. To collect type 1 asbestos information
- 1.1 In accordance with your instructions we have undertaken a stock condition survey of your housing stock with a view to assessing the current and future repairs and maintenance liability. We have surveyed a representative sample of 15% of the Council's housing stock, which is currently declared as 5,426 units currently rented by the Council (excluding leaseholders) along with associated related assets. The majority of properties within the stock are of traditional construction with approximately 14% being identified as non-traditionally constructed.
- 1.2 The stock has generally been reasonably well maintained on a day-to-day basis with evidence of previous capital investment to components such as windows, and to a lesser degree kitchens and bathrooms being identified by the survey. However the survey has also identified many properties to which continued investment will be required in the short term, particularly to kitchens and bathrooms.
- 1.3 The total forecast expenditure to improve and maintain the stock and related assets over 30 years equals £279.6m. This equates to £51,531 per dwelling or £1,718 per dwelling per annum. The costs are at a base date of December 2005 and comprise items of capital and revenue maintenance expenditure and includes contract

preliminaries, but excludes professional fees, leaseholders, management costs and VAT. This expenditure is shown graphically on the following chart.

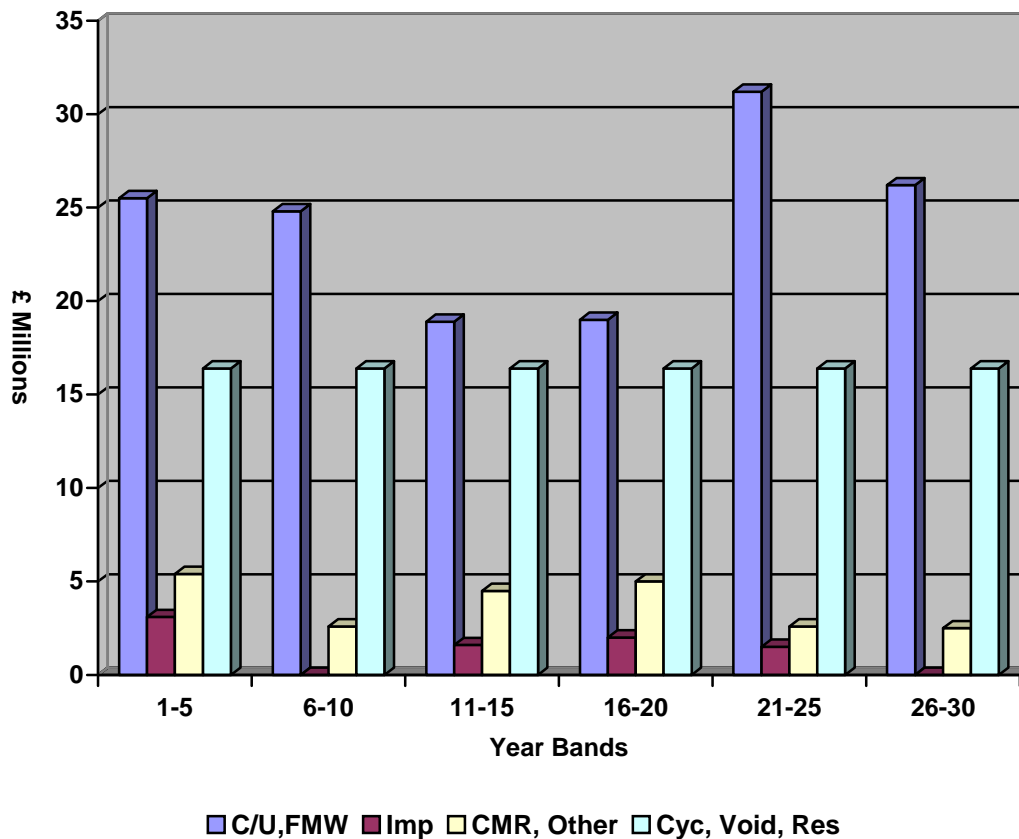
30 Year Profile All Categories



This profile clearly demonstrates that in the first 5 years a significant investment is required to improve and maintain the housing stock. This expenditure need reduces over the following 10 years before rising again in the long term. This 'peak and trough' of expenditure across the 30 year horizon is familiar to Savills and reflects not only the current condition of the stock but also the second replacement of certain components across the 30 year horizon.

- 1.4 The following graphic demonstrates the overall expenditure profile demonstrated over the same time period, but broken down across the key expenditure headings.

30 Year Category Breakdown



Again this profile demonstrates that early expenditure is needed to maintain and improve the stock, whilst continuing existing ongoing regimes regarding cyclical, and responsive maintenance.

- 1.5 The overall level of costs falls within Savills expected benchmark totals for a stock of this size and type and confirms our comments in 1.2.
- 1.6 Externally, the fabric of the properties is generally sound with a large majority of dwellings benefiting from replacement windows. However, through the mid term, a number of properties will require replacement doors and re-roofing, as they approach the end of their life expectancy.
- 1.7 Internally, a large majority of properties have a full central heating system and cavity/loft insulation where appropriate. However, although little evidence was

identified by the survey of a bathroom/kitchen replacement programme. Consequently a significant number of properties have been identified for replacement bathroom/kitchens in the first 5 years.

- 1.8 We predict that there is a £366,895 backlog of catch-up repairs that are required to bring the stock up to a reasonable standard. This allowance accounts for the repair of elements that can be brought up to a reasonable standard and a degree of whole component replacement.
- 1.9 The spread of costs for Future Major Works (capital replacement works) is split over the 30 year forecast period with approximately £59.m (40%) required for external works and approximately £85m (60%) for internal works. However, within the first five years approximately 73% of the recourses apply to the internal elements of the stock.
- 1.10 The programmed renewal works to dwellings (over 30 years) is supplemented by a £6.7m improvement programme that will provide new or improved amenities to dwellings that currently do not exist. This typically comprises items such as additional thermal insulation, upgrading central heating systems, alterations to kitchen and bathroom layouts and installing smoke detectors.
- 1.11 Whilst our survey has not included a specific assessment of the condition of the environment around the properties, it is clear that, in some cases, general environmental improvements are required. Work would include the provision of additional landscaping, additional security measures and improved lighting etc. The need for this work was also amplified by many of the tenants visited as part of the survey.
- 1.12 The responsive/void and cyclical, or 'revenue', works total £61.8m and £36.4m respectively over the 30 year forecast period. These costs were derived from reviewing historic Council expenditure and will ensure that existing commitments in this regard will continue to be met.
- 1.13 The stock includes 787 non-traditional dwellings. Evidence of licensed work was identified by the survey to many of the non-traditional types, which will significantly

reduce the risk of any potential future structural defects becoming manifest. However the Council have commissioned an independent specialist view on the non traditional properties which has identified the future expenditure need to ensure the long term sustainability of these dwellings.

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- 1.14 Part of our stock condition survey has included an assessment of the properties against the recently issued decent homes criteria as set out by the ODPM, results of which are shown in **Appendix 4**. In undertaking this piece of work, we have assessed the properties in terms of the fitness standards, together with the assessment of the key/other building components, modern facilities and thermal comfort.
- 1.15 Approximately 18% of the stock is currently non decent in accordance with the criteria. In addition between now and 2010, approximately 61% of dwellings within the stock, are classified as potentially non-decent. This figure of 61% will include properties that may already be non-decent, but are projected to fail on other aspects of the decent homes criteria in later years (e.g. a property that fails due to a roof failure now may also be projected to fail on rewiring in year 4). Likewise there will be properties that repeatedly fail between now and 2010 (e.g. a dwelling may fail on kitchen/bathroom in yr 2, external doors in Year 3 and boiler in Year 4).
- 1.16 Our survey has identified all of the works required for the decent homes obligations to be met in within the Government's prescribed time limit of 2010. We would also like to clarify that although the decent homes guidance encourages councils to interpret the guidance in accordance with its own particular housing stock no such interpretation has been made at this stage to the results of the decent homes analysis. Consequently the results published within this report are to be viewed as the lowest possible standard of decency, and we encourage the Council to bear this mind when considering the aspirations of both itself and its residents, as the decent homes standard in isolation rarely delivers an acceptable level of housing.
- 1.17 All information recorded during the stock condition survey has been loaded onto a Microsoft SQL database and this has been used as a basis for analysing the data and producing the cost reports. This information will be provided to the Council for on-going use.
- 1.18 The site inspections were carried out for the purpose of this survey during November and December 2005.

