



Appendix 2

STOCKTON ON TEES BOROUGH COUNCIL / TRISTAR HOMES STOCK CONDITION SURVEY

1.0 EXECUTIVE SUMMARY

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 the properties in accordance with the Decent Homes Standard. The total stock comprises 10,527 properties and we have surveyed a carefully structured and representative sample of just over 10% (1,142 inspections). The survey work was undertaken during May and June 2007.

All survey data has been loaded on to our computer system and has been analysed in order to produce the results contained within this report.

1.2 We are aware that as part of the ALMO, substantial investment has been made in the stock in recent years targeting work to bring the properties up the Decent Homes Standard. This major works programme was self evident from our inspections and we identified very few outstanding repairs during the course of our survey. Externally, approximately 70% of the properties have had new windows or doors. However, the programme has not focussed on the roofs or the external areas and these will require substantial investment during the next 10-15 years. Internally there has been a large programme of kitchen and bathroom replacement and the great majority of properties have a central heating system.

1.3 The ALMO has necessarily concentrated on Decent Homes work since that is the basis of the funding provided by the government. As a consequence, non decent homes items have not been addressed. These include major improvement work to the non trades properties and a requirement for a substantial programme of environmental improvements. Substantial work is also required in respect of the high rise blocks not previously improved to undertake structural repairs and improve the thermal performance of the properties.

1.4 We have included at Appendix 1 of this report a summary of elemental costs over the next 30 years which totals just over £596m at a cost per property of £56,617 per unit. This is in line with our benchmarks elsewhere. All costs quoted in this report are based on today's prices and are inclusive of preliminaries but exclusive of any fees, management and administration costs and VAT. The costs also assume that all 10,527 properties are retained for the next 30 years.

1.5 Part of our survey has included an assessment of the properties in accordance with the Government's Decent Homes Standard. The Decent Homes Standard was originally issued in March 2001 and various updates have taken place since, the most recent of which was in June 2006. There is a requirement on all social housing landlords to bring their properties up to the Decent Home Standard by 2010. The Standard sets out clear criteria that a property needs to meet in order to be classified as decent. Criteria A of the Standard, which was previously the statutory Fitness Standard, was replaced last year with the introduction of the Housing Health and Safety Rating System (HHSRS). The other criteria relate to the state of repair of the key and non key building components, the energy performance of the properties and whether or not it has modern facilities. All four of the Decent Homes criteria have been assessed as part of our survey. We have established that 16.5% of the stock currently fail the Decent Homes Standard with further potential failures between now and 2010. Our cost projections included at **Appendix 1** make provision for the necessary work to meet Decent Homes.

1.6 The work identified as part of the stock condition survey has been costed by means of a schedule of rates. The rates we have adopted are based on those which we believe can be achieved using modern and effective procurement methods and reflect our experience elsewhere. The rates have also been compared with costs currently being experienced by Tristar Homes and they are very similar. Care will need to be taken to ensure that the work is delivered within the price base included.

1.7 Our survey has included an assessment of the energy performance of the properties. The energy data collected has been passed to our consultants, Powergen Energy Solutions, who have analysed the data and produced a set of results. There are two key indicators that are normally adopted into order to assess the energy performance of properties. Firstly the NHER (National Homes Energy Rating) and secondly the SAP (Standard Assessment Procedure) which is the Government's preferred indicator. The average NHER for the stock is 7.7 and the average SAP is 72.8. These compare favourably against national averages of 6.0 and 54.0 respectively.