

HOUSING COMMITTEE

27 MARCH 2018

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Report Title	Non Traditional Homes Report and Action Plan
Purpose of Report	To provide members with the results of the structural appraisals undertaken to the remaining non traditional housing stock and present members with options for keeping the remaining properties in repair.
Decisions	The Committee RESOLVES to: To undertake all works defined in the report within a 10 year period subject to the availability of adequate financial resources.
Consultation and Feedback	Curtins Consulting as the appointed Structural Engineers, The Project Surveyor, Senior Asset Data Officer, Operational officers, Chair and Vice Chair of Housing Committee.
Financial Implications and Risk Assessment	<p>The capital programme is approved annually by Council as part of budget setting.</p> <p>Should this recommendation be approved, the works on non traditional properties would, subject to the overall funding position of the HRA, be included in the proposed HRA capital budget to Strategy and Resources in December 2018.</p> <p>Lucy Clothier, Principal Tel: 01453 754343 Email: lucy.clothier@stroud.gov.uk</p> <p>Risk assessment by the report author Failure to ensure the Councils compliance requirements are met, or fail to keep the properties in good repair could place the Council in breach of its statutory obligations with the regulator. Poor quality housing may affect a person's health, work, education, and wellbeing.</p>
Legal Implications	<p>The committee should note that proposed wording of the resolution will commit the Council to undertaking "all works" within 10 years subject only to "adequate resources" being made available. The report indicates some potential provisos to which that decision might be subject in paragraph 5.4.</p> <p>In the absence of clear and appropriate conditions, the recommended decision is open to successful legal challenge within the 10 year period particularly given the decision significantly exceeds the life of the current Council and the absence of allocated funding.</p>

	<p>If the committee is minded to proceed as per the Decision Box, the committee is recommended to:</p> <ul style="list-style-type: none"> • Consider the implications (if any) for the adopted Strategy; • Clarify its legal duties regarding the refurbishment of the units; • Most importantly, clarify all the provisos of the resolution (e.g. amongst others that is subject there not being changes in the Council’s HRA priorities etc.; that “adequate” resources are only those that are allocated annually as part of the budget process rather than simply available; and that the decision will need to be periodically reviewed (rather than simply the works subject to performance monitoring) and may in any event, change taking account of possible future changes of the Council, its functions, its duties or its management of council housing etc.); • Consider what alternative options exist including amongst others responsive maintenance works only, redevelopment etc. (as indicated in Appendix 1); • Potential outcomes of the works (e.g. impact on RTB sales as touched upon in Appendix 1); • Whether the works will need to be procured (or fall within an existing contract) and as such what, if any, impact there may be on the total COSTS. (Ref:d13.3c14.3) <p>Karen Trickey, Head of Legal Services & Monitoring Officer Email karen.trickey@stroud.gov.uk</p>
Report Author	<p>Joe Gordon, Head of Contract Services Tel: 01453 754190 Email: joe.gordon@stroud.gov.uk</p>
Performance Management Follow Up	<p>Performance monitoring will be done by providing regular updates to Housing Committee, as well as management and monitoring group meetings.</p>
Background Papers/ Appendices	<p>Appendix 1 – Summary Report prepared by the Special Projects Officer</p> <p>Appendix 2 - Curtins Structural Report</p>

1.0 Introduction

- 1.1 The Non Traditional Homes Strategy presented to Housing Committee in December 2016 set out the requirement for the Council to adopt a strategic approach for the maintenance and repair of the remaining non traditional homes stock.
- 1.2 This report and appended documents set out the findings of the structural surveys undertaken, as well as the financial resources required to ensure the properties are maintained to ensure their long term viability.
- 1.3 The total number of non traditional properties still owned by the Council is six hundred and eighty seven (687) of which two hundred and twenty nine (229) require some degree of works to be undertaken to bring them up to the required standard. Full details are set out within the Special Projects Surveyor report at Appendix 1.

2.0. Structural Surveys

- 2.1 The structural surveys undertaken indicate that the remaining stock, with the exception of the Swedish Timber Framed properties, have not deteriorated as quickly as would normally have been anticipated.
- 2.2 Some Cleansing of erroneous historic data is required to ensure the Councils database provides an accurate reflection of the portfolio (this work was completed prior to running the financial forecasts).
- 2.3 The main structural elements of the refurbished properties have a life expectancy commensurate with a typical traditional property of a similar age and design, subject to normal maintenance and repair.
- 2.4 Given the findings at 2.3 above we can have some confidence that refurbishment of suitable properties, using appropriate proprietary systems are a viable and cost effective, sustainable option for the Council.

3.0 Thermal Comfort

- 3.1 The average SAP rating for social housing is 62.4 against an all housing average of 54.5. The Council has an aspiration to bring all stock up to the sector average where it is practicable to do so.
- 3.2 The average SAP rating across all retained housing stock is 61 (D), the lowest being 20 (G) and the highest being 91(B). The average SAP across the effected Non Traditional Properties is 57.84 (D), the lowest being 8 (G) and the highest being 74 (C).
- 3.3 In considering the viability of these properties the Council, as a responsible landlord not only has to give consideration to the physical aspects of these properties, but also the social impact on our tenants.

- 3.4 The degree of variance between the highest and lowest levels of thermal performance is considerable, even taking into account the contribution of the most recently constructed housing stock. By increasing thermal levels of the stock, the Council can play a part in ensuring the degree of variation in the fuel bills faced by similar households across its stock does not contribute to those household becoming fuel poor.

4.0 Financial Resource

- 4.1 Detailed cost have been summarised within the Special Projects Surveyor report included at Appendix 1.
- 4.2 The overall cost for delivering the programme (subject to the exclusions indicated within the Curtins report) is £6,735,569 of which £4,743,469 is already committed within the MTFP or indicated within the financial forecast. This is made up of £3,043,469 capital works and £1,700,000 of External Wall Insulation (EWI).
- 4.3 The additional resource required is £1,992,100. However should the programme timescale be escalated an additional £886,556 will be required to fund the programme within the first six years.

5.0 Our Approach

- 5.1 Our approach takes into consideration the requirements of the Energy Strategy and Action Plan, which has a set objective for the Council to develop an Affordable Warmth Strategy.
- 5.2 Setting SAP targets in terms of affordable warmth, and how they might be used to assess future affordability at a time when both thermal efficiency and energy prices are rising is not clear. However to do nothing in terms of improving the stocks thermal conductive capacity is not a viable option.
- 5.3 Over a period of six to ten years, using a combination of structural performance and SAP rating to rank the properties. Starting with the worst first, we will aim to refurbish between twenty three and forty properties per year.
- 5.4 Refurbishment will be subject to confirmation of available resource during the budget setting period, Assessment in accordance with the Obsolescence Procedure Guide, and consideration of any other service or organisational wide requirements.

6.0 Recommendations

- 6.1 Subject to a maximum period of ten (10) years, undertake all works as quickly as possible subject to the availability of adequate financial resources.