

EXECUTIVE

DATE: 25th APRIL 2005
SUBJECT: PRIVATE SECTOR HOUSE CONDITION SURVEY 2005
REPORT BY: HEAD OF HOUSING (STRATEGY AND PRIVATE SECTOR)
CONTACT OFFICER: CHRIS PORTER 01582 546177

IMPLICATIONS:

LEGAL	✓	STAFFING	✓
EQUALITIES	✓	COMMUNITY SAFETY	
FINANCIAL	✓	RISKS	✓

OTHER

CONSULTATIONS:

COUNCILLORS CONSULTED	✓	SCRUTINY COMMITTEE CONSULTED	
STAKEHOLDERS CONSULTED		OTHER	✓

WARDS AFFECTED: ALL

LEAD EXECUTIVE MEMBER(S): COUNCILLOR DAVIES

RECOMMENDATION(S)

1. Executive is recommended to endorse the use of the Building Research Establishment Stock Projection Programme methodology for the Luton Private Sector House Condition Survey 2005.

REPORT

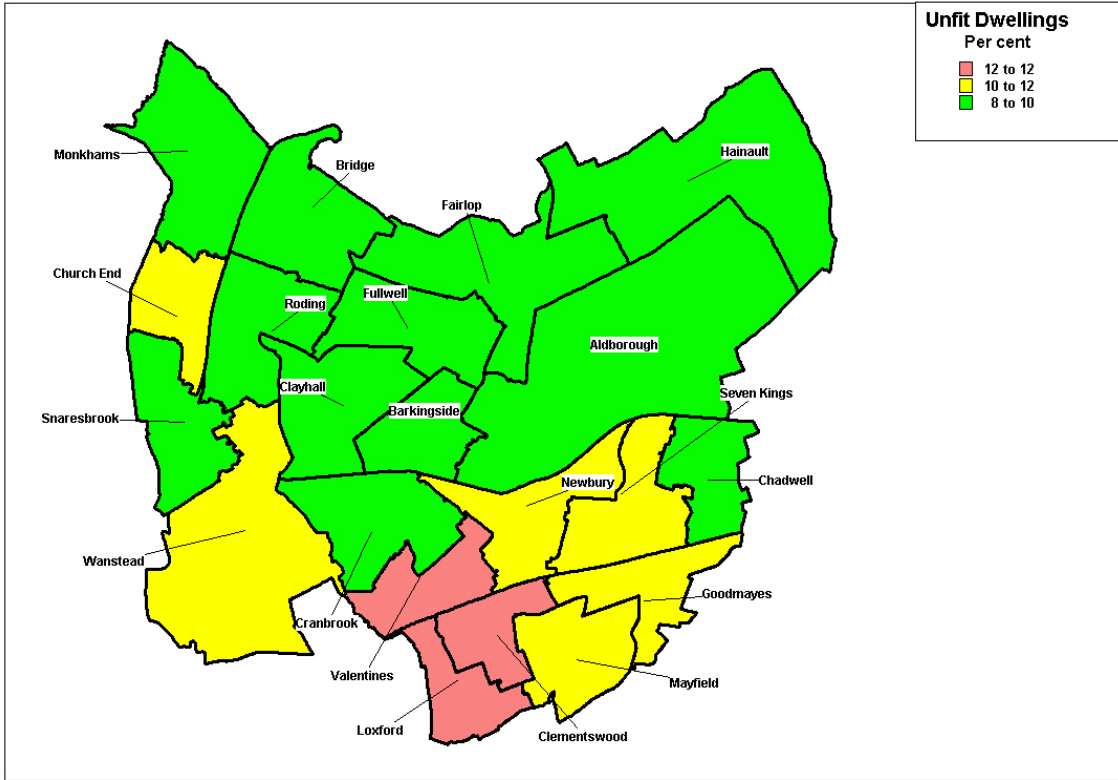
2. The Housing Act 1989 placed a duty on all local authorities to determine the condition of housing in their area. (Guidance issued by the ODPM in 1993 and in 2000 made it clear that the condition of housing – referred to in the 1989 Housing Act should be determined by survey sample methods.)
3. The traditional private sector Luton house condition surveys (LHCS) of 1990, 1995 and 2000 provided the Council with useful statistical data, in respect of unfitness (Section 604 Housing Act 1985) energy efficiency, socio-economic, personal and environmental health etc. This information was the basis of determining the approach to private sector renewal in the Town; the priorities for the renovation grant programme and the definition

of the Housing Plus Area which was targeted for concentrated remedial attention, utilizing grant aid.

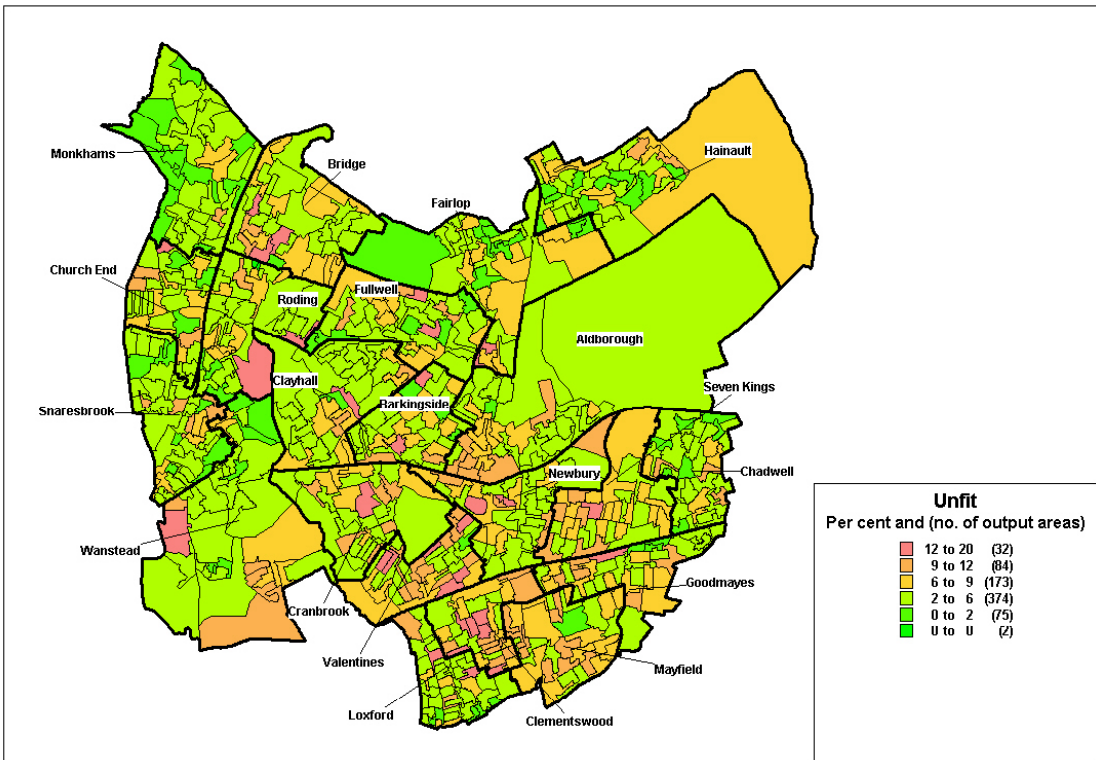
4. The traditional survey methodology involved drawing a random sample of private dwelling addresses, from the Council tax records but weighted in favour of the inner town area. This process (an accepted statistical practice) was utilized to ensure that sufficient older properties were selected for inspection. In respect of private sector surveys, the Council has no statutory rights of entry to inspect and question households. The process relies entirely on the co-operation and good will of the occupiers and assurances are given that the information obtained remains strictly confidential. (It is not possible to identify any household from the final report.)
5. The Building Research Establishment (BRE) provides a complete range of consultancy, testing and commissioned research services covering all aspects of the building environment and has developed the BRE Stock Projection Programme (BRE-SPP), which is an innovative approach to a traditional process. It saves time and it can be used to identify very small areas of poor housing and deprivation
6. The fundamental difference between the traditional method of LHCS and the BRE – SPP is that this methodology involves a more targeted approach to identifying the sample of properties to be subsequently surveyed, and for a higher number of surveys to be undertaken in the areas identified. This involves drawing on local and national intelligence about deprivation, dilapidation and disrepair. These targeted surveys are then supplemented by an adequate number of additional surveys across other areas of the Town to ensure that a town wide picture of house condition is achieved from the survey.
7. The benefits of the BRE-SPP over traditional methodology are:
 - That it can be produced the survey sample within one week as apposed to 3 – 6 months (although the supporting surveys will add to this time)
 - It is robust at producing benchmarks for monitoring the housing stock unfitness levels when compared with traditional survey methodology
 - The London Research Centre advises that this will satisfy the requirements of BVPI 62 the performance indicator that shows the number of unfit properties made fit by direct local authority action)
 - It produces data, which covers all tenures whereas the traditional methodology only focuses on the private sector.
 - The BRESPP will produce data on areas of deprivation – which will provide a direct link to identifying non-decent homes, at street level as apposed to the traditional ‘above ward level’ sized areas. This considerable advantage offers the opportunity to target small manageable areas for intensive activity with regard to follow up surveys and subsequently instigating precise remedial action. This information will directly benefit any strategy implemented and help the direction of resources to alleviate deprivation in line with the objectives of Luton 2011 whereby all wards are to be improved in the governments measure of deprivation and none are to remain in the category of the 10% most deprived in the England listing.
8. In respect of meeting Government initiatives for ensuring decent homes for everyone, most of the targets relate to the public sector and will be achieved by 2010. (The definition of a decent home is that it is wind and weather tight, *i.e. in a reasonable state of repair*, warm *i.e. it provides a reasonable degree of thermal comfort* and has modern facilities *i.e. it has reasonably modern facilities and services.*) In respect of the private

sector housing stock the Government's Decent Home Target Implementation Plan currently based on the previous English House Condition Survey (EHCS) national figures sets out a trajectory for delivery that includes targets for specific years up to 2020. These are expressed as the proportion of vulnerable households in the private sector, living in decent homes. The relevant target percentages are 65% by 2006, 70% by 2010 and 75% by 2020. However this target is complicated by the pending introduction of the Housing Health and Safety Rating System (HHSRS) as a direct replacement for the fitness standard. Circular guidance on the Housing Act 2004 (which is anticipated to come into force in October 2005) from Government has yet to materialise. The decent homes standard does not have a direct correlation with the current fitness standard nor with the proposed HHSRS but the proposed BRE- SPP in identifying areas of deprivation will give the opportunity to subsequently make detailed inspections of private dwellings which will identify homes, that do not meet the decent homes standard and thereby introduce a bench mark from which any Government targets and Council initiatives, can be measured. It is anticipated that the recent EHCS (just completed and incorporated in the BRE-SPP) will provide reasonably reliable estimates of non-decent homes at regional level later this year. This will offer another opportunity to cross reference BRESPP in Luton and adjoining areas.

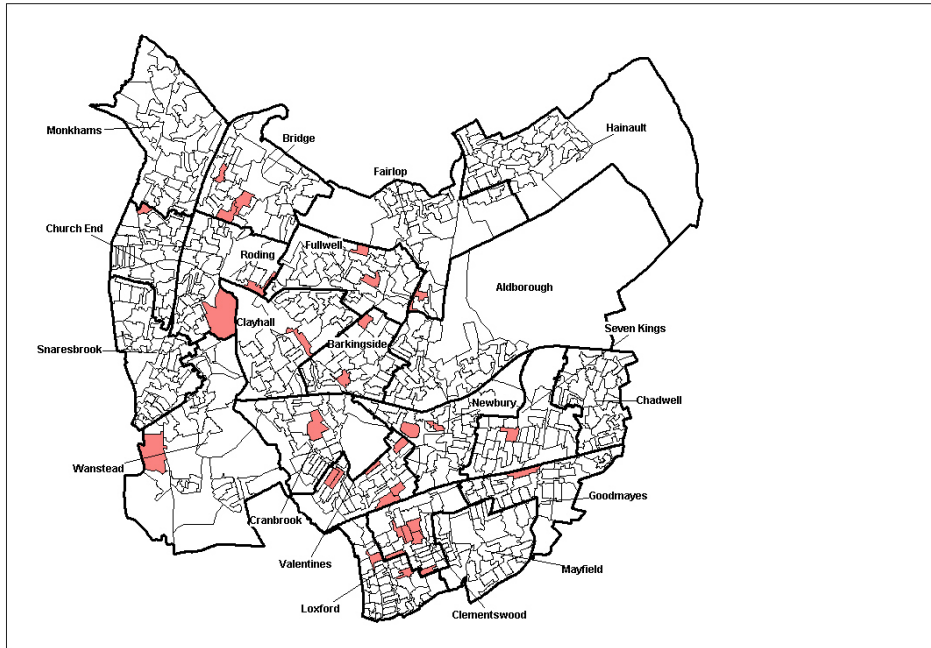
9. The Luton, Private Sector, House Condition Survey 2000 statistically identified 3,300 dwellings as being unfit. Since 2000, on the basis of direct action, through a combination of the grants programme and enforcement action the Council has reduced this notional figure to 2633 (BVPI 62) It is also accepted that, since 2000, other private dwellings will have subsequently deteriorated into an unfit state whilst it is recognised that some new home owners will have upgraded their accommodation which could have taken it out of an unfit category.
10. By identifying areas of deprivation and assessing the subsequent data drawn from the targeted 'follow up' surveys, this will offer the opportunity to gather precise information about residents financial circumstances and determine fuel poverty criteria.
11. We are also advised that it will be possible to correlate BRE-SPP with NHS data which will enable comparison with an occupier's state of health with the quality of the accommodation.
12. Included is a copy of an article, (see Appendix 1) which more fully explains the development of the BRE method but its main advantage is illustrated below using material that BRE incorporate into their standard presentation.
13. The evidence from other local authority areas where this methodology has been used has produced more detailed results.
14. Below is a map of Borough wide data from a house condition survey (not Luton) undertaken in 1996 using conventional methods. Only 3 sub-groups of wards could be reported on, as is common with the statistical limitations of sample sizes.



15. This compares to the BRE approach which produced the map below.

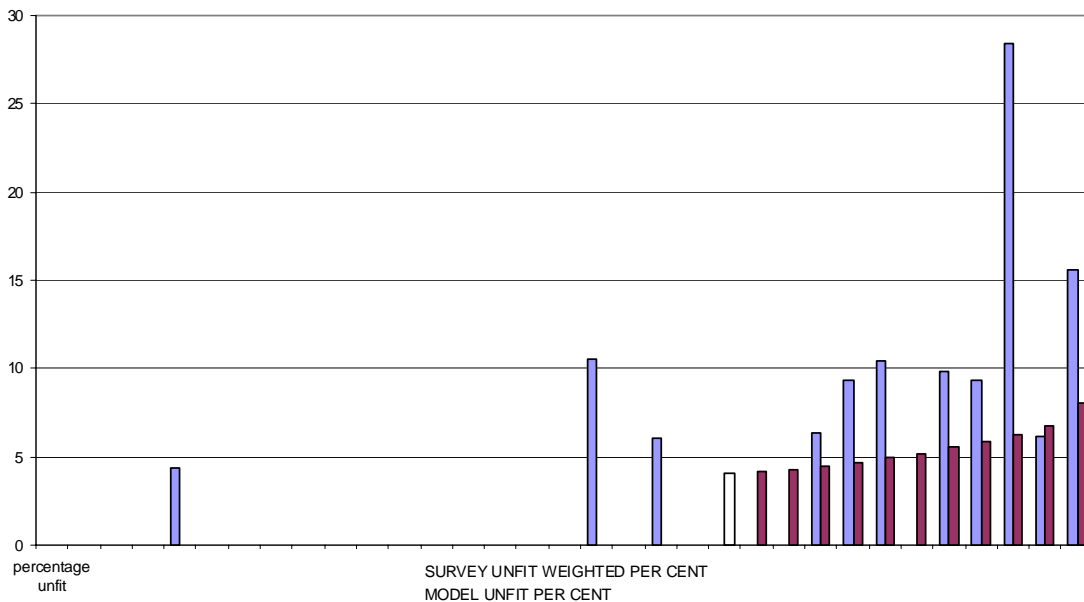


16. Such maps can then be used to help design a sample concentrating only on the areas where dwellings are in worst condition (see below). This supports the targeting of housing renewal aid to the areas of identified need.



17. Areas of less than 100 dwellings have been found and authenticated in previous BRE-SPPs undertaken elsewhere. In Stockport, unfitness data from a well-supervised local house condition survey showed a correlation of 0.7 with stock model data. Furthermore as can be seen from the illustration below the model data is less affected by sharp peaks and troughs introduced by the small samples used in the house condition survey (see below).

Proportion of unfit dwellings, modelled and surveyed



18. Method: Groups of output areas were grouped in 20s in order of percentage of unfit (worst 20 next worse 20 etc.) and compared to the percentage of survey dwellings unfit in the same areas. An average of 30 survey dwellings are in each group.

19. In Luton it is anticipated that, with the possible exception of Marsh Farm, (which was identified in the recent report by Planning, Research and Development Unit, on the Indices of Deprivation), most pockets of non-decent homes, will be located within the inner town area. (The 1995 and 2000 surveys could not produce data at ward level. In order to do so, survey figures had to be adjusted, thereby introducing a variation inaccuracy of plus or minus 5%.

20. Proposals: -

[i] Use the BRE stock model projection during 2005/6 to identify the sample for the following survey.

[ii] Assuming that small areas of deprivation are identified and authenticated, select the worst 6-10 areas

[iii] Undertake a full external survey of all these dwellings and an internal survey of 10%. (i.e. 600-1000 external surveys incorporating 60-100 internal surveys).

[iv] In order to satisfy the requirements of a "town wide" house condition survey, undertake a further 100 full surveys in the remaining inner town area and another 100 full surveys in the outer town area.

[v] Compared with the LBC PSHCS 2000, this would effectively reduce the total number of complete surveys from 1000 to 300 max. with 1000 external surveys equivalent in cost to 200 full surveys.

[vi] One other LA in the Herts. and Beds. area has shown immediate interest in a joint commission, triggering cost savings with BRE: the more that join, the greater the savings.

[vii] Explore the possibility of entering into partnership with the Marsh Farm NDC to produce additional, targeted BRESPP data on the current condition of the Marsh Farm housing stock.

[viii] Satisfy the requirements of other council departments, who previously utilised the traditional survey data and, where possible, incorporate any requests for additional data, using the new programme.

26. It is accepted that it is challenge to change from a proven successful survey methodology. However, assurances have been received from the London Research Centre, that the end product of these proposals will at least match the content of the 2000 survey report - in depth and spread of data - irrespective of the envisaged advantages linked to identifying small areas of deprivation and thereby offering the opportunity to focus limited resources into positive remedial actions. The programme also enables continual updating from routinely acquired, housing information.

27. Traditionally – survey data is confidential and this issue needs to be considered, particularly when it will be possible to use a mixture of BRE and local data down to a pretty fine level – well below Ward boundary level. However, the BRESPP offers a golden opportunity to use the survey results in a practical context as opposed to a notional exercise.

28. Benefits to the Council

- Profiling housing renewal needs at below ward level, to inform effective intervention and support strategies and to facilitate targeted follow-up surveys.

- The background data will indicate the extent of different elements of the Grants policy within the Council's Private Sector Renewal Strategy, applicable in each sub-area. Some areas may be primarily elderly homeowners required equity release assistance; others may be private rented properties needed a mixture of grants, loans or enforcement.
- Council-wide data integration - there is strong ODPM guidance on the benefits of data integration and modelling. Luton intends to use the output from the BRE model to link to other data on poverty, energy, health and other aspects of regeneration.
- Use a robust approach - BRE have a national reputation for excellence in this field and the principle is also being developed by BRE for the ODPM in neighbourhood statistics analysis. BRE's methodology has been successfully verified in a number of areas with survey or other data.
- Value for money - the BRE method offers equal accuracy to a stock condition survey, greater detail at local level to achieve operational value and a degree of cost savings.

29. Benefits to the Region

30. Joint commissioning will achieve not only economies of scale but also the opportunity to model housing renewal across the region, through data sharing.
31. Leading the way - already other local authorities (for example, groups of authorities in two of the London sub-regions) are developing joint commissioning of the BRE product but a region-wide approach to Eastern Region would be a first. We would hope to convince other authorities of the benefits of this approach, whether as part of a data collection exercise or as a valuable add-on to a recent local survey.

LEGAL IMPLICATIONS

32. If the BRESPP (first phase) is implemented then, as in previous years, a contract will have to be prepared for the second phase of the survey. (If it isn't adopted, a traditional survey will be required and a contract will then have to be prepared to cover the entire survey).
33. This report has been agreed by the relevant solicitor in legal services on the 13th April 2005.

STAFFING IMPLICATIONS

34. In the 1995 and 2000 surveys, the Council gave permission for the recruitment of surveyors from Luton Staff with the proviso that all work undertaken was entirely within the officers own time – specifically excluding lunchtimes, and on the understanding that it didn't interfere with the Officers' council workload. For both surveys, random checks revealed that the quality of inspections was exceedingly high. For the 2005 survey, it is not intended, at this moment, to adopt any "in house" processes but to employ an outside contractor. However, there is currently a national shortage of surveyors and, under these circumstances, it is suggested that subject to obtaining the necessary prior approval, any officer who wishes to do so, can be employed by the selected contractor, on a part time basis, to assist with the survey, entirely under the restrictions previously mentioned. (Any additional hours worked will be monitored to ensure compliance with the Working Time Directive and Council policy.)

EQUALITIES IMPLICATIONS

35. The way the BRE-SPP is produced and the way the subsequent addresses are randomly selected for inspection, it is ensured that no individual is favoured or disadvantaged. (The same principle would apply in drawing a sample of addresses for a traditional survey.)
36. The range of the survey and the findings will be used to identify areas of deprivation which will include low income, health, disability, race etc. The task will be to identify drivers behind these indicators (e.g. policies) and develop strategies to initiate improvement.
37. It is anticipated that the survey results will supply a sound basis for completing an impact assessment on Private Sector House conditions

FINANCIAL IMPLICATIONS

38. The costs of undertaken the survey is set out below:

Phase 1 –BRE-SPP –identification of the primary sample locations	£ 10,000
Phase 2 which will be tendered out to a specialist company, 'follow up' surveys in the areas identified by the BRE-SPP; additional addresses for survey - randomly selected and drawn from Council tax records; quality assurance checking; data processing and production of 50 reports and executive summaries.	£ 85,000

39. Phase 2 will be subject to tender and so absolute certainty around costs cannot be ensured at this stage. This report has been agreed by the Housing and Community Living Finance Manager on the 11th April 2005.

40. RISK IMPLICATIONS

41. The BRE – SPP is an entirely new, cutting edge process. As with all new developments, there is an element of risk that it will not work. Elsewhere, it has worked very successfully and, as yet, there have been no failures, whereby identified areas of deprivation have been subsequently found, upon inspection, to be inaccurate.
42. These factors bode well for Luton. The use of other local intelligence when interpreting the output from BRE-SPP, as advised by both BRE and ODPM, will help officers minimise the risks in implementing in Luton. Risks will further be minimised by using the output to inform more detailed local level analysis.

43. COUNCILLORS CONSULTATIONS

44. The portfolio holder has been consulted on this report.

45. OTHER CONSULTATIONS

46. Discussions have taken place with the BRE , The London Research Centre, The Eastern Region Government Office, The Chartered Institute of Environmental Health, Private Sector Housing Representatives from Herts. and Beds. Local Authorities, Marsh Farm NDC. and the Research and Intelligence unit of the corporate Planning Division.

47. **OPTIONS**

48. The 1989 Housing Act placed a duty on all local authorities to determine the condition of housing within their area. Subsequent guidance by the ODPM made it clear that that the condition of housing referred to in the Act should be determined by survey sample methods.

49. Government Offices expect this guidance to be followed and failure to follow it could lead to the Council's housing strategy being judged "not fit for purpose."

50. Accordingly, it is necessary for the Council to proceed with a Private Sector House Condition Survey in 2005 in order to produce a benchmark for subsequent government statistical returns.

51. The Council can chose to; -

[1] Implement the proposals, as outlined in this report.

[2] Decide to remain with the traditional survey process which was utilised in 1990, 1995 and 2000, accepting that this latter option will not provide the detailed small area data required for the targeting of resources towards areas of greatest need.

[3] Decide not to undertake the Private Sector House Condition Survey 2005.

APPENDIX

52. Appendix A - Background papers to Building Research Establishment Stock Projection Programme

Appendix A



Article.pdf