Report To:	Cabinet
Date:	1st April 2025
Subject:	Housing Stock Condition Surveys – Initial Findings
Purpose:	To receive initial findings of housing stock condition surveys
Key Decision:	No
Portfolio Holder:	Councillor Tracey Carter, Portfolio Holder for Strategic and Operational Housing
Report Of:	Jason King, Assistant Director – Housing
Report Author:	Christian Mycock, Housing Property and Repairs Manager
Ward(s) Affected:	All
Exempt Report:	No

Summary

The Regulator of Social Housing adopts a co-regulatory approach, holding Councillors responsible for ensuring that the Council, in its role as a registered provider of social housing, is delivering the outcomes of consumer standards.

This report seeks to provide Cabinet as the responsible body with an overview of the findings from the initial stock condition surveys carried out and how the Council is utilising this information in the development of future programmes of work.

Recommendations

That Cabinet notes the work underway to survey all residential council homes and associated assets. Further to this Cabinet notes the feedback provided by the Performance Monitoring Panel, expressly that the Housing Department should ensure the appropriate financial and human resources are available to meet all needs and requirements arising from stock condition surveys.

Reasons for Recommendations

To purpose of this report is to be informed of the progress and findings to date towards ensuring that the Council has robust data on the condition of its homes.

Other Options Considered

1. **Do nothing**. To not consider information presented regarding the stock condition survey findings. This option is not recommended.

1. Background

1.1 The Council understands its responsibility to maintain an in depth understanding of its housing stock, to ensure that we continue to maintain housing appropriately, providing safe and secure homes for our tenants whilst also ensuring that we maintain accurate information to develop investment programmes.

1.2 The Regulator of Social Housing has mandated through the approved Consumer Standards that Registered Providers must have an accurate, up to date and evidenced understanding of the condition of their homes that reliably informs their provision of good quality, well maintained and safe homes for tenants.

1.3 The Consumer Standards clearly outline the expected level of stock condition data that providers must maintain. Upon reviewing the Council's existing stock condition data (consisting of individual assessments carried out between 2015 and 2020), it was determined that the data lacked the sufficient depth to meet these standards. Consequently, it was necessary for the Council to procure a qualified contractor to conduct comprehensive and detailed surveys of all residential Council dwellings and associated assets including sheltered housing guest rooms and community centres. Please note garages are held in the General Fund and therefore do not form part of this work.

1.4 As part of the Council's ongoing commitment to identifying and proactively managing the prevalence of damp, condensation and mould, it was also felt that a comprehensive Housing Health and Safety Rating System assessment of every property would enable the Council to assess homes and archetypes at higher risk, informing the future frequency of stock condition surveys. To gain a comprehensive understanding on the presence of damp, condensation and mould it was determined that the surveys should be scheduled for completion when the weather was at its most challenging conditions.

2 Initial stock survey findings

2.1 The Council has procured MLCS3 to conduct stock condition surveys on all residential dwellings managed by the Council. The scope of this work also includes sheltered housing community centres and guest rooms but excludes garages and other assets held in the general fund. Key data captured as part of this survey includes:

- Recording the condition of all building components, the age of the component, estimated year of replacement and quantity, to provide lifecycle costing for asset management purposes and assist with the development of future planned works.
- Housing Health and Safety Rating System (HHSRS) assessments, based on a full survey of the dwelling.
- Energy audit including production of an Energy Performance Certificate, where required.
- Recording any routine repairs that should be carried out to maintain the standard of the property.

2.2 Recognising the best performing landlords have a detailed and comprehensive understanding of their housing stock, surveys were scheduled for completion during the autumn to spring season so that a comprehensive understanding of the property's condition under the most challenging weather conditions could be formed. Thus, allowing for more accurate and timely maintenance planning and informing future investment needs and requirements. Damp and mould are considered as one of the main causes of HHSRS failure. However, the Council recognises the importance of all hazards in the home. Completing HHSRS inspections will ensure that all hazards are proactively identified.

2.3 At the time of reporting to the Performance Monitoring Panel, the Council had received accurate and up-to-date information for 55% of stock (equating to 2,133 properties), based on on-site surveys conducted within the last 6 months. The access rate to date is 54.8% of properties accessed upon first attempt. The programme continues at pace, and it is anticipated that the first round of access attempts will be fully completed during quarter 2 of 2025/2026. Note that the number of properties due for an inspection is a dynamic figure, influenced by Right to Buy sales and acquisitions.

2.4 Any issues or actions arising that require immediate attention are passed to the Council to resolve within 24 hours. Officers receive a weekly update which is reviewed by the Housing Repairs and Property Services Manager to identify any emerging trends or challenges. The data available to date is being used by Savills to model against the existing data held by the Council to ensure that our current financial planning is appropriate. Discussions have taken place between Savills and the S151 Officer to ensure that any financial modelling requirements for the first five years of the new business plan capture works arising from the stock condition surveys.

2.5 The Council is monitoring the access rate alongside the survey data available and will continue to work with MLCS3 to obtain access to 100% of properties. Following completion of all first access attempts, a progress review meeting will be held to determine the next phase of survey attempts to strengthen the Council's proactive approach to obtaining stock condition data.

3. Survey Representation

SURVEY REPRESENTATION BY LOCATION (AS AT 31/1/25)			
Area	No. properties surveyed	No. properties in area	Percentage surveyed
Cowbit	22	41	53.66%
Crowland	97	188	51.60%
Deeping St Nicholas	55	87	63.22%

Donington	95	167	56.89%
Fleet	34	47	72.34%
Gedney	18	61	29.51%
Gedney Drove End	14	27	51.85%
Gedney Dyke	12	22	54.55%
Gedney Hill	21	44	47.73%
Gedney Marsh	2	2	100.00%
Gosberton	48	84	57.14%
Gosberton Clough	2	7	28.57%
Gosberton Risegate	10	16	62.50%
Gosberton Westhorpe	1	2	50.00%
Holbeach	200	417	47.96%
Holbeach Bank	13	17	76.47%
Holbeach Drove	7	11	63.64%
Holbeach Fen	1	2	50.00%
Holbeach Hurn	9	14	64.29%
Holbeach St Johns	7	11	63.64%
Holbeach St Marks	7	14	50.00%
Little Sutton	1	3	33.33%
Long Sutton	166	234	70.94%
Lutton	8	19	42.11%
Moulton	40	74	54.05%
Moulton Chapel	26	45	57.78%
Moulton Seas End	10	14	71.43%
Pinchbeck	91	159	57.23%
Pode Hole	1	3	33.33%
Quadring	33	48	68.75%
Saracens Head	1	3	33.33%
Spalding	762	1264	60.28%
Surfleet	30	71	42.25%
Sutton Bridge	89	238	37.39%
Sutton St Edmund	4	11	36.36%
Sutton St James	22	43	51.16%
Throckenholt	3	6	50.00%
Tongue End	5	20	25.00%
Tydd Gote	17	30	56.67%
Tydd St Mary	12	23	52.17%
West Pinchbeck	31	67	46.27%
Weston	29	129	22.48%
Weston Hills	21	30	70.00%
Whaplode	28	58	48.28%
Whaplode Drove	13	25	52.00%
Whaplode St Catherine	15	29	51.72%
Total	**2133**	**3927**	-

SURVEY REPRESENTATION BY ARCHETYPE (AS AT 31/1/25)			
Archetype	No. of properties surveyed	Total number of archetypes in Stock	Percentage surveyed
One Bed Bungalow	427	675	63.26%

Two Bed Bungalow	696	1016	68.50%
One Bed Flat	68	118	57.63%
Two Bed Flat	83	158	52.53%
One Bed House	3	28	10.71%
Two Bed House	160	430	37.21%
Three Bed House	680	1461	46.54%
Four Bed House	6	17	35.29%
Five Bed	0	1	0.00%
Six Bed	0	1	0.00%
Rough Sleeper Accommodation	9	9	100.00%
Guest Room	1	13	7.69%
Total:	**2133**	**3927**	-

4. Housing Health and Safety Rating System and Decent Homes

4.1. The Council has continuously invested in planned maintenance work and upgrades to key components, informed by survey data. As of 31 January 2025, our Decent Homes position was reported at 98.28%. 68 properties were reported to Housing Compliance Clinic as non-decent, based on existing available data for the whole stock. Decent homes are monitored by the Compliance Clinic and Performance Monitoring Panel.

4.2. Non-decency is calculated by assessing various factors. These include the condition of building components, their age, and the estimated year of replacement. Additionally, the Housing Health and Safety Rating System (HHSRS) assessments, energy audits, and routine repairs are recorded to maintain property standards. As updated stock condition information becomes available, this is calibrated against existing data to ensure accurate and up to date information continues to be reported.

4.3. As part of the survey, surveyors are assessing the dwelling based on the following legislation:

- The Housing Health and Safety Rating System (HHSRS) - a risk-based assessment to identify and protect against potential risks and hazards to health and safety from any deficiencies identified in dwellings.
- Decent Homes Standard (Housing Act 2004) – the minimum standards for the condition and appearance of social housing, including the requirements for the repair, maintenance and modernisation of homes, as well as their energy efficiency and accessibility. A decent home must be warm, weatherproof and have reasonably modern facilities. It must also be in reasonable repair and meet current legal housing standards.

4.4. Of the 2,133 properties surveyed up to 31st January 2025, 13 properties were identified to have category 1 hazards. Any properties where category 1 hazards are identified are immediately referred on the day of the survey to the Service for urgent remedial action, ensuring tenants homes are made safe.

PROPERTIES IDENTIFIED AS SEVERE RISK AS AT 31/1/25		
Category	Further information	Status of works as of 26/2/25
	Mould identified in multiple rooms throughout the home	Completed 3.12.24

Damp, condensation and mould (6 properties)	Mould in bedrooms and around living room window	Completed 5.2.25
	Mould in bathroom and bedrooms	Completed 6.3.25
	Mould in entrance hall and stairs	Completed 4.3.25
	Mould in bedrooms	Completed 4.2.25
	Mould in two bedrooms	Completed 14.1.24
Water leaks (2 properties)	Hot water cylinder leaking	Completed 19.11.24
	Leak from bathroom	Completed 22.11.24
Roof works (2 properties)	Chimney pot loose and leaning	Completed 4.12.24
	Slipped tiles	Completed 6.11.24
Windows (2 property)	Outer pane of door broken (potential sharp edges)	Completed 29.1.25
	Window restrictor not working properly	Completed 15.11.24
Central Heating	Heat pump not working	Completed 18.11.24

5. Damp, Condensation and Mould (DCM)

5.1. Following reviewing demand for responsive damp, condensation and mould works during 2022/23 and 2023/24, together with lessons learned from reports of the Regulator of Social Housing and Housing Ombudsman Service, it was determined that carrying out a stock condition survey during the winter would enable the Council to better understand properties at risk of higher prevalence of DCM (as it is likely that this will be easier to detect during winter months). Therefore, the identification of a higher level of DCM than the nationally reported average is something the Service anticipated.

5.2. All reports of DCM are managed on a risk-based approach. Cases of DCM are classified into three categories by MLCS3, as set out in the table below:

CATEGORIES AND DEFINITIONS DETERMINED BY MLCS3	
Severe	Excessive damp or mould noted to one or more rooms
Moderate	Minor damp or mould noted in more than one room
Slight	Minor damp or mould noted in one room

PROPERTIES IDENTIFIED AS HAVING DAMP, CONDENSATION AND MOULD AS AT 31/1/25			
Category	Number of properties identified	As a percentage of stock surveyed (2,133 units)	Number as percentage of total stock (3,927 units)
Severe (see paragraph 4.2 for further detail)	6	0.28%	0.15%
Moderate	148	6.94%	3.77%
Slight	233	10.92%	5.93%
Total	**387**	**18.14%**	**9.85%**

5.3. This data requires internal validation before sharing with Savills for the HRA Business Plan and Asset Management Strategy. Some properties were flagged for potential damp, condensation, and mould rather than confirmed issues.

5.4. In response to this volume of demand, the following process has been adopted for DCM case management, allowing the introduction of stock survey data cases into the programme of works:

1. Severe cases reported by MLCS3
2. Triaging of new cases reported direct to the Council by tenants
3. Moderate cases reported by MLCS3, prioritised by tenant vulnerability and date of survey.
4. Notable cases reported by MLCS3, prioritised by tenant vulnerability and date of survey – note that further analysis is required of these cases, as some cases have been reported as the 'potential' of DCM, rather than presence of DCM.

5.5. Category one hazards, defined as serious and immediate risk to a person's health and safety, are given the highest priority for action with tenants contacted within one working day, followed up until access is gained. Assessments are carried out to determine whether it is safe for the household to remain in the property whilst remedial works are carried out, or alternative accommodation should be provided. A programme of works is agreed and tracked by the Council's DCM Co-Ordinator. Once works are complete, the works are inspected again with the tenant to ensure that all issues have been resolved.

5.6. Performance on DCM and all other compliance is overseen by the Housing Repairs and Property Services Manager, reported monthly at Housing Compliance Clinic. A risk was recently added to the Risk Register regarding the Council's ability to deliver the requirements of Awaab's Law. In response to this, further papers will be brought forward on the Council's response to DCM and the preparedness to deliver Awaab's Law.

6. Fire safety

6.1. Fire detection systems are broken down into the categories, including:

- **LD1**: This system provides the earliest possible warning by having multiple detectors throughout the building. (Maximum protection)
- **LD2**: This system places alarms in high-risk rooms and along escape routes to give advanced warning of a fire in another room.
- **LD3**: This system places alarms along all escape routes to ensure occupants can exit before smoke, fire, and fumes impede their escape.

6.2. All required Fire Risk Assessments have been completed for 2024/25. Annual alarm testing records confirm that all properties have working smoke alarms to a minimum of LD3 standard. Through our programme of upgrade works, sheltered housing is being upgraded to LD1 and general needs is being upgraded to LD2. All properties are inspected at least annually in relation to fire detection.

7. Energy Performance

7.1. As part of the survey programme, energy assessments are being undertaken on any property where the Energy Performance Certificate (EPC) is due before April 2027,

working towards EPC certificates for every property. (All properties are let with a valid EPC certificate).

7.2. This approach will give us a full assessment of the EPC rating profile across our stock so that future investment programmes can target the properties that need the rating improving.

7.3. The Council regularly reviews emerging legislation and consultations to ensure that any adjustments to improvement programmes are considered and implemented as appropriate. It is understood that the government is committed to all homes achieving at least EPC C (a 'moderate' level of energy efficiency) by 2030.

7.4. At the point of writing the report, 36% of residential stock managed by SHDC achieved Energy Performance rating of C and above. Investment over time has led to the majority of Council homes being D rated under the EPC rating system. Initial grant funding schemes only allowed nominal numbers of D rated properties to be included and focused on the poorest performing properties. The Council has focussed its efforts on improving its poorest performing and hard to treat properties first. We are reliant on significant government support to achieve EPC C in all homes. Under the Warm Homes schemes, D rated properties can be included, and the Council has therefore submitted a substantial bid to accelerate the pace of delivery on improving energy efficiency across its homes. It is clear the Council cannot seek to rely solely on external funding opportunities to improve energy efficiency. Therefore, financial planning is being undertaken to support the Asset Management Strategy with capacity to deliver all required energy efficiency works to homes.

ENERGY PERFORMANCE RATING OF PROPERTIES WITH A VALID EPC CERTIFICATE AS AT 31/1/25		
Rating	Number of properties	As a percentage
A (most efficient)	1	0.03%
B	150	4.34%
C	1083	31.32%
D	2161	62.49%
E*	62	1.79%
F*	1	0.03%
G (least efficient)	0	0.00%
Total	3458	100%

*Prioritised in our next round of the Green Homes project which begins in 2025/26.

8. Utilisation of data to inform planning and prioritisation of works

8.1. The Council is advanced in its work with Savills to produce a HRA Business Plan, Capacity Analysis and Commentary, conduct HRA Investment Data Validation, and produce a HRA Business Plan Narrative and Asset Management Strategy. This work is being informed by up-to-date robust data from the latest stock condition survey information.

8.2. Upon receiving the information from the stock condition survey, the Council is triangulating this data with other sources, including the previous stock condition survey, reported repairs and data collected through planned and investment programmes and projects. The 25/26 Capital Programme Budget and Medium-Term Financial Strategy has been modelled including the use of updated stock

data.

8.3. Data regarding decency of the stock will be used to calibrate the decent homes programme and our reporting on decent homes statistics to Compliance Clinic and Performance Monitoring Panel, as well as part of our Tenant Satisfaction Measure submission for 24/25. Capital investment decisions will continue to be informed by updated information and revenue pressures identified through responsive repairs.

9. Future programme for assessing the condition of homes

9.1. Registered providers should assess the condition of homes frequently enough and in sufficient depth to maintain assurance on their quality and safety.

9.2. The frequency and depth of assessment will be influenced by a range of factors, including but not limited to, component lifecycles, property age, construction, and archetypes as well as data from complaints and reports from repairs and maintenance programmes. This approach should also allow the Council to plan delivery arrangements in advance, adapt to the overall needs of services, and continuously consider tenants' priorities.

9.3. The Council recognises that up-to-date stock information is an essential foundation of being a responsible landlord. The current surveying programme will provide a complete snapshot at a point in time. However, the Council recognises that some homes will need to be surveyed more frequently. Once analysis of archetypes is complete, a future surveying programme will be established. It is expected that factors such as a higher prevalence of damp, condensation and mould, non-decency and any outstanding programme or responsive upgrades or repairs will be factors in identifying homes which may need to be surveyed more frequently.

10. Conclusion (Interim findings)

10.1. In conclusion, the Council has made a positive improvement towards updating its stock condition data through comprehensive stock condition surveys. These efforts are crucial in ensuring that the Council meets the regulatory standards set by the Regulator of Social Housing and provides safe, well-maintained homes for its tenants.

10.2. Responding to damp, condensation and mould continues to be a challenge for the Service, and separate papers on the Council’s response to DCM and the preparedness to deliver Awaab’s Law will be brought forward.

10.3. At present, the long-term financial implications of the survey findings are unknown. Savills are modelling this data as part of drafting a HRA Business Plan and Asset Management Strategy (for adoption during 2025/26). This modelling includes determining options for the Council to deliver key items such as meeting EPC C by 2030. At present, the Council is reliant on substantial government support to achieve EPC C. The implications of meeting this target without additional financial support needs to be widely understood and will be set out in a future paper once the financial analysis is complete.

10.4. The availability of accurate and robust stock data, repairs data and compliance information enable the Council to model the risks and impact of the introduction of Awaab's Law and the Decent Homes 2 standard.

10.5. By keeping the Performance Monitoring Panel informed and involving sector experts as needed, the Council demonstrates its commitment to maintaining high standards of housing quality and safety.

Implications

South and East Lincolnshire Councils Partnership

This report provides assurance to the Council that South Holland District Council takes its responsibilities as a landlord seriously and will mitigate against any potential reputational damage or negative impacts to tenants.

Corporate Priorities

This report supports the following South and East Lincolnshire Councils Partnership Sub-Regional Strategy priorities:

- Healthy Lives – Safe housing stock will lead to the better health of our tenants and everyone that stays or visits the properties.
- Safe and Resilient – Providing community confidence that our homes are well maintained.

Staffing

None.

Workforce Capacity Implications

None.

Constitutional and Legal Implications

None.

Data Protection

None.

Financial

The Council is reliant on substantial government support to achieve EPC C, which is common across the sector. It is anticipated that responding to DCM will continue to place financial pressures on the service through remedial works identified by stock condition surveys and implementation of Awaab's Law. Changes in Decent Homes legislation may exacerbate this issue further.

The findings of the stock condition surveys partly inform the HRA business plan being drafted by Savills. The HRA business plan is subject to approval by Members following consultation with tenants.

Risk Management

None.

Stakeholder / Consultation / Timescales

The Portfolio Holder - Strategic and Operational Housing and the Deputy Chief Executive (Corporate Development) and S151 Officer have been consulted. They continue to be regularly updated as Chair and Sponsor of the Housing Transformation and Improvement Programme Board.

An earlier version of this report was presented to Cabinet on 18 February 2025. To allow effective scrutiny of the performance, it was felt that Performance Monitoring Panel should be informed of Cabinets' views prior to scrutinising the performance. (A similar approach was adopted for the HRA Governance Framework).

Cabinet sought assurance from Officers around:

- Identification of damp and mould to date and potential implications of these findings – further information added to report for Scrutiny to consider.
- When further information would be brought to Members – report confirms that additional data will be brought before Members in due course, following the first phased of surveys being completed
- Tenant feedback on the surveys and access issues – further information added to report for Scrutiny to consider
- Energy performance targets and plans to deliver them – further information added to report around Green Homes programme and EPC ratings for Scrutiny to consider.

Performance Monitoring Panel provided the following feedback:

- Tenants should be reminded of the importance of reporting repairs. Confirmation was provided that all tenants had recently received written information reminding them of how to report a repair.
- The panel noted the report and asked that a follow up report be brought back providing an update on the final findings of the surveys.
- The panel discussed the issue of Damp, Condensation and Mould and the impact it has on tenants. The panel sought assurance that additional help was available to tenants who experienced affordability challenges. Confirmation was provided of the Councils Cost of Living Response Team who could provide support.
- The panel considered Cabinets initial feedback together with their scrutiny of the report. Adding a recommendation that Cabinet should ensure the necessary financial and human resources are available in Housing to deal with any issues arising from the stock condition surveys.

Reputation

Presenting an update on stock condition surveys to Members enhances the Council's reputation by demonstrating a commitment to transparency and accountability. This proactive approach reassures Members that potential risks are being managed effectively, boosting confidence in our operations. Additionally, showcasing our adherence to regulations and ethical standards reinforces that we are a responsible social landlord.

Tenant safety is a priority and we will continue to address hazards and remedial work identified in these surveys. Additionally, this data will be used to plan future works needed to maintain safe and energy-efficient homes.

Contracts

None.

Crime and Disorder

None.

Equality and Diversity / Human Rights / Safeguarding

Conducting stock condition surveys across the entire housing stock has significant positive impacts on Equality, Diversity, and Inclusion (EDI). These surveys ensure that all tenants, regardless of their background, have access to safe and well-maintained housing. By identifying and addressing disparities in housing conditions, the surveys promote fairness and equity. They also provide valuable data that can inform inclusive policies and practices, ensuring that the needs of diverse communities are met

Health and Wellbeing

Conducting stock condition surveys positively impacts health and well-being by identifying and addressing housing issues early, ensuring safe and healthy living environments for all residents.

Climate Change and Environment Impact Assessment

Not undertaken.

Acronyms

EDI – Equality Diversity and Inclusion
RSH – Regulator of Social Housing
HHSRS - Housing health and safety rating system
EPC - Energy Performance Certificate
DCM – Damp Condensation and Mould

Appendices

None.

Background Papers

Background papers used in the production of this report are listed below: -

Document title	**Where the document can be viewed**
SHDC – HRA stock condition survey report	Decision - HRA stock condition surveys - South Holland District Council
RSH - Safety and Quality Standard	Safety and Quality Standard - GOV.UK

Housing Health and Rating System Guidance	https://www.gov.uk/government/publications/housing-health-and-safety-rating-system- guidance-for-landlords-and-property-related-professionals
SHDC – Landlord Strategy 2024 - 2026 and Transformation Programme for 2024-2026	SHDC_Housing_Landlord_Strategy_2024-2026.pdf

Chronological History of this Report

Name of Body	**Date**
Performance Monitoring Panel	12/03/2025

Report Approval

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