

Osborne

What's the Best Way to Bring Stock Condition Data Under Control?

Uncertainty over stock condition is no longer a viable option for social housing providers.

So many strategic, financial, regulatory and logistical factors rely on having reliable and up-to-date stock condition data that significant knowledge gaps are increasingly untenable.

A world where you have comprehensive data that you trust is one where you can plan resources and budgets accurately. It's one where you don't have to worry about a regulatory failure that somehow slipped through the net.

But what's the best approach for bringing all stock condition data up to scratch? There's not necessarily a right or wrong answer. It depends a lot on your risk profile and your starting point.





Stock Condition - the Big Picture

It's fair to say that we know there's an issue with stock condition knowledge across the UK - but are we confident how big the issue is and exactly what it looks like?

According to the 2020-21 **English Housing Survey**, 11% of social homes didn't meet the Decent Homes Standard. The survey reports, for example, that around a quarter of a million social homes suffer from damp.

Homes considered 'decent' must:

- Meet the statutory minimum standard for housing according to the Housing Health and Safety Rating System (HHSRS) - homes with a Category 1 hazard under the HHSRS are considered non decent.
- Provide a reasonable degree of thermal comfort.
- Be in a reasonable state of repair.
- Have reasonably modern facilities and services.

The typical cost of upgrading a social home to meet the standard is approximately £5,500. So the financial exposure for some housing providers could be significant if they have large numbers of 'non-decent homes' not on their radar.

Many social landlords may develop a better understanding of their stock condition assessment processes following the regulator's call for their detailed **plans to fix damp and mould** issues after the tragic death of Awaab Ishak.

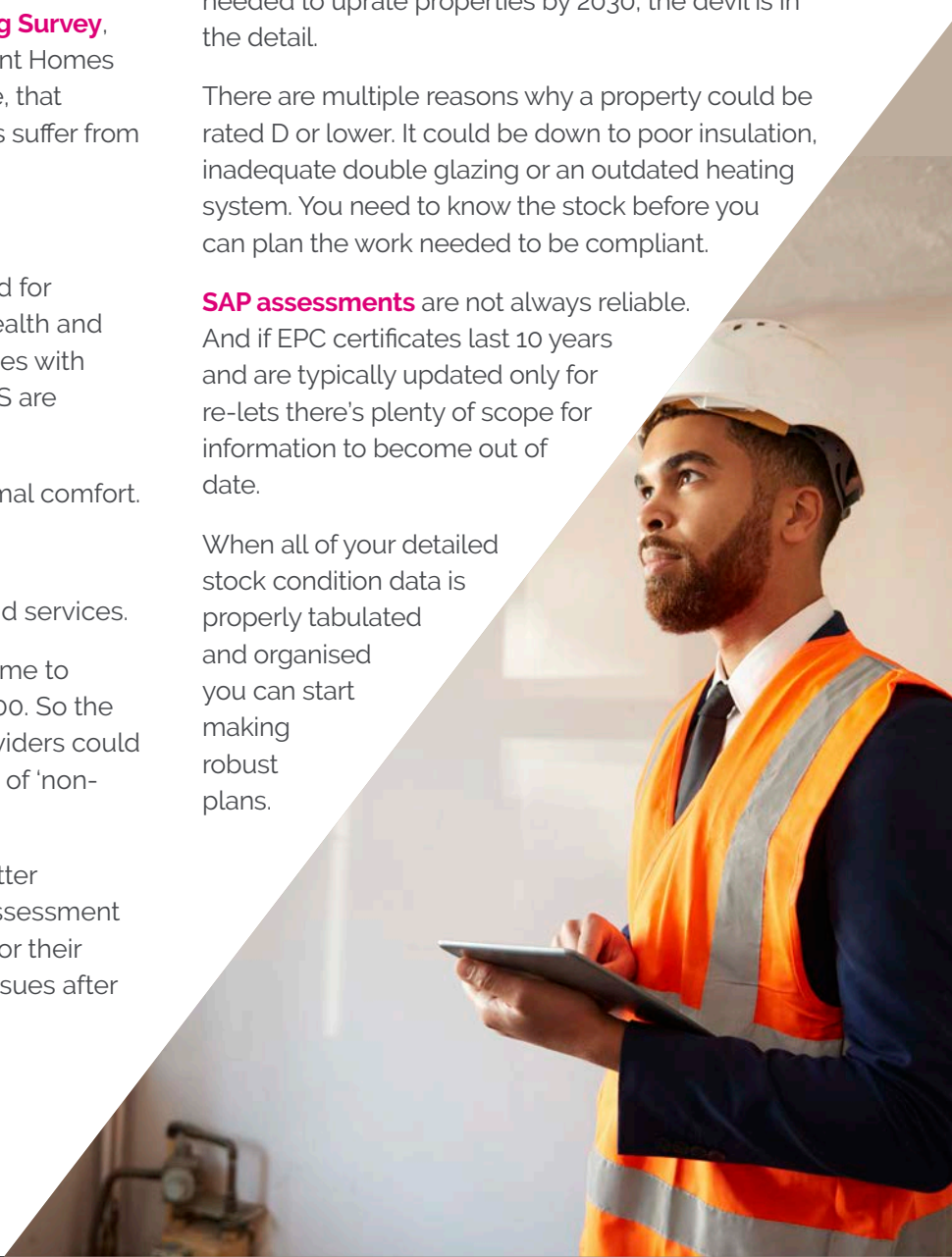
Decarbonisation

Decarbonisation is the next big agenda item. It's estimated that over 40% of social homes have an EPC rating below level C. While this statistic gives a reasonable picture of the scale of the overall task needed to uprate properties by 2030, the devil is in the detail.

There are multiple reasons why a property could be rated D or lower. It could be down to poor insulation, inadequate double glazing or an outdated heating system. You need to know the stock before you can plan the work needed to be compliant.

SAP assessments are not always reliable. And if EPC certificates last 10 years and are typically updated only for re-lets there's plenty of scope for information to become out of date.

When all of your detailed stock condition data is properly tabulated and organised you can start making robust plans.





Updating Stock Condition Data

A survey by **Inside Housing** revealed three broad approaches to monitoring stock condition. 38% of the local authorities and ALMO landlords in the survey aim to survey 100% of properties over a defined number of years (typically between three and five years).

Around 12% said they aim to survey all properties over a short time and repeat the process periodically.

30% said they inspected sample properties and used this data to estimate the overall stock condition.

Rolling surveys are an efficient way to use resources and can help to generate a constantly updated picture of the stock. A lot depends on the cycle time and frequency of reinspections.

The rapid 'snapshot surveys' can be a good option for bringing intelligence up to date. Maintaining the accuracy of the data then depends on how effectively information is updated following repair and maintenance programmes or voids, and how quickly residents' concerns are acted upon.

Sample surveys, in our opinion, carry a high degree of risk. Moving from sample inspections to a periodic approach would call for a re-evaluation of how property services resources are allocated.

Total Asset Management

Perhaps the most significant question is whether retrospective approaches to monitoring stock condition are any longer good enough. Safety compliance requirements are becoming tighter; proactive consumer standards are now a reality; and there's a massive net carbon zero retrofit programme to plan.

Effectiveness in all of these areas is a function of the quality and usability of stock condition data. What we're seeing in our property services partnerships for social housing is the evolution of a more proactive approach based on Total Asset Management (TAM).

Using TAM, we aim to bring together all policy strands and work streams into an integrated approach based on modern IT systems and constantly updated information. The approach allows our teams to deliver more activity and better outcomes without extra resources.



If you'd like to understand more about TAM and our approach to maintaining stock condition data contact Jo Fletcher jo.fletcher@osborne.co.uk or [access our resource centre](#).