

Report of Mark Ireland, Service Manager, Housing Partnerships

Report to Director of Environment and Housing

Date: 24th February 2016

Subject: Request to waiver procurement for the appointment of the Building Research Establishment to undertake a Private Sector Stock condition Survey for the city.

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	No
Are there implications for equality and diversity and cohesion and integration?	No
Is the decision eligible for Call-In?	No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	No

Summary of main issues

1. The Council last undertook a Private Sector Stock Condition Survey in 2007 and the report is now considered out of date. To inform future strategies and programmes of work across the city another survey is required to provide up to date intelligence on the private sector housing in the city.
2. In 2007 the report was based on a physical sample survey of properties across the city and cost in the region of £150k. Since the 2007 survey the Building Research Establishment (BRE) have devised a model which does not require a physical survey of the stock but uses data such the English Housing Condition Survey, census data and credit information. This model offers better value for money as it provides the same information as a physical stock condition survey at a lower cost but also allows the data to be up dated in real time.
3. By working with the Leeds City region (LCR) and other West Yorkshire Local Council it has been possible to negotiate a discounted fee for the works. However in order to progress with this option a waiver of Contract Procurement Rules (CPR) would be required by the Director of Environment and Housing,

Recommendations

4. The Director of Environment and Housing authorise a waiver of CPR 8.1 and 8.2 to approve the appointment of the BRE to undertake a Private Sector Stock Condition

Survey of the city and to authorise the expenditure of £44,400 to allow the survey to be completed.

1 Purpose of this report

- 1.1 The purpose of this report is to request the Director of Environment and Housing to authorise the wavier of CPR 8.1 and 8.2 and to approve the appointment of the BRE to undertake a Private Sector Stock Condition Survey for the city.
- 1.2 The Director of Environment and Housing is also requested to authorise the spend of £44,400 to allow the survey to be completed.

2 Background information

- 2.1 Local Authorities are required to understand the condition of all their housing stock in their district and to develop strategies and approaches to address issues of concern. The Housing Act 2004 states “A Local Authority must keep the housing conditions in their area under review with a view to identifying any action that may need to be taken by them”
- 2.2 The Council last undertook a private sector stock condition survey in 2007. This was a traditional house condition survey with physical inspections undertaken by inspectors to gather the information and using statically reliable modelling provides a report of the conditions in the district. The last survey cost in the region of £150k but now requires to be updated.

3 Main issues

- 3.1 In 2007 the traditional methodology was the only option available to produce a report on the private sector stock condition. However the BRE has devised an alternative called the Housing Stock Modelling Service. This model uses information from a number of recognised high quality surveys and data sources including the English Housing Condition Survey and is able to extrapolate them to a local level by establishing a relationship between national and local data such as the Census and credit data. The model has been developed to ensure that quality and quantity of data surpasses that of a traditional survey. As with the modelling for a traditional stock condition survey, the Housing Stock Modelling Service is recognised by Government as methodology suitable for producing a private sector stock condition survey. No other similar model has been recognised by Government to provide the required information.
- 3.2 Both methodologies provide the required statistically accurate report. However the traditional methodology is more expensive at around £150k compared to £44,400 for the BRE model. In addition the BRE model will allow the updating of the database with real time information, making the data as up to date as possible.
- 3.3 By working with the Leeds City Region (LCR) and other West Yorkshire Council's it has been possible to negotiate a 10% discount on the cost of the survey. This is due to a number of other Council's also undertaking the survey at the same time.
- 3.4 The BRE has an international reputation for the work it undertakes and has a track record for delivery of stock condition surveys of this type. The modal has

been used by numerous other Councils rather than a physical survey due to the savings it offers, and the ability to continually up date in real time.

- 3.5 The £44,400 has been provided by a number of Services within the Council, namely, Environment and Housing, The Director of Public Health and Strategy and Resources, PPPU.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 Colleagues in PPPU have been consulted and advised on the procurement process and the wavier of CPR rules 8.1 and 8.2.

- 4.1.2 Legal have reviewed the contract between the Council and the BRE. They will agree the final version of the contract with the BRE prior to any works commencing.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.3 The outcome of the survey will help to influence future housing strategies. An Equality, Diversity Cohesion and Integration Assessment Form has been included with the report.

4.3 Council policies and City Priorities

- 4.3.1 The survey report will assist with developing strategies to support work to improve communities within the city, reduce poverty, help to target projects to reduce the carbon footprint and reduce inequalities in the health of the individuals and communities.

4.4 Resources and value for money

- 4.4.1 The Housing Stock Modelling Service provides better value for money than undertaking the traditional survey method. The cost is less than that of the traditional method and the modelling allows real time information to be used to update the report.

- 4.4.2 By working with the LCR and other West Yorkshire Council it has been possible to negotiate a 10% discount on the original costs. In addition as the report will inform not just housing but other strategies and programmes the overall cost has been shared by Private sector Housing, Public Health and colleagues in PPPU who address climate change and energy efficiency issues.

- 4.4.3 The project will be managed within existing resources by the Private Sector Housing Service and lead by one of the Service Managers.

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 The report is not eligible for call in.

4.5.2 Colleagues in PPPU have advised that Contract Procurement Rules 8.1 and 8.2 would normally apply. However as the sole provider of the service is BRE the Director of Environment and Housing would need to agree to a waiver and approve the appointment of the BRE in this instance.

4.5.3 The report is not eligible for call in.

4.6 Risk Management

4.6.1 The BRE have an international reputation for excellence in their field. They have undertaken similar Private Sector Stock Condition Surveys and have the necessary resources and expertise to deliver the required survey and report in Leeds.

4.6.2 The project will be managed by a Service Manager within the Private Sector Housing Service.

4.6.3 A contract will be in place which details the expectations and the standards expected from BRE in producing the Private Sector Housing Survey report.

5 Conclusions

5.1 The last Private Sector Stock Condition Survey was undertaken in 2007 and is now out of date. To inform future strategies a new survey is required.

5.2 There are two potential methodologies which could provide the required outcome; a physical survey of the stock as per 2007 or the BRE's Housing Stock Modelling Service. Both methodologies would provide the required quality report. The physical survey of the stock will be the more expensive option and in 2007 cost in the region of £150k. The BRE model provides better value for money as it is only £44,400 for the same information and the data can be updated to allow real time information to be used by the Council.

5.3 The BRE model is the only methodology that can undertake the survey and provide the required report as recognised by Government. To appoint the BRE will require a waiver of CPR 8.1 and 8.2.

6 Recommendations

6.1 The Director of Environment and Housing is requested to :-

6.2 Authorise the wavier of CPR 8.1 and 8.2 to allow the appointment of the BRE to undertake a Private Sector Stock Condition Survey

6.3 Authorise the expenditure of £44,400 to allow the survey to be undertaken by the BRE.

7 Background documents¹

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

