

Troubles with stock: The failures in plain sight

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“Knowing what thou knowest not is in a sense omniscience” – Piet Hein

Many of the problems that beset the sector are about the state of residents’ homes. Judging by the Housing Ombudsman Service’s strictures, things are not getting any better – and now we are about to have inspections.

So, some questions:

Why do we know so little about residents’ homes after years of stock surveys?

Why are we caught by surprise when we are in most homes several times each year?

Why are problems so easy to spot for ITV, Kwajo and the ombudsman but not for us?

And some answers

*“If you don’t want to have to deal with the answers, don’t ask the questions”
– Nora Roberts*

Because of the drive for more affordable housing, the emphasis has often been on new supply. Repairs and maintenance often gets in the way of the growth agenda and is revisited only when organisations are forced to do so.

For many, maintenance has until recently been a ‘balancing budget’ and is the first to be cut when savings are required (think austerity/rent cut/end of Decent Homes funding for local authorities). Undertaking stock condition surveys (SCSs) invariably highlights stuff that needs to be done and works against this corporate objective.

- For the past 40 years or so, the primary focus of SCSs has not been to assess stock quality for repairs but for business planning purposes. Producing a ‘30-year weather forecast’ has been the outcome required so as to satisfy the lenders and the Regulator that the key areas of cost are funded. Kitchens, bathrooms, wiring, heating, roofs, doors and windows are the ‘big ticket’ items accounting for circa 80% of the cost of a social housing ‘unit’ (ie, home) over the 30 years
- SCSs generally pick up the component replacements and housing health and safety rating system (HHSRS) risks. They do not generally ask for the view of residents and nor do they pick up the episodic small isolated repairs that get reported by tenants three or four times a year. This is evidenced by the minimal number of repairs reported back to landlords by stock surveyors.

Arguably, we are taken by surprise because the property management model adopted by the sector is broken. Notwithstanding visits by housing management staff, more than 120 maintenance visits (see the table below) are made to the average social housing home over a 20-year period and the opportunity to make every contact count is there but not exploited. There is too much silo working and failure to use the 'mark one eyeball' looking. Basic technology such as a camera is not routinely used to record repairs observed whilst on site.

Towards a solution

Some cures

- **Ask an outside firm to carry out a full stock condition survey.** These are eye-wateringly expensive. Can we actually afford these anymore? And do they always help? Landlords have been doing surveys for decades and still unexpected problems emerge. Is it the fault of the surveyors or the landlords that commission them? Good luck getting to the bottom of that one. Plus, we pay the survey firms for their expertise when we could use the same cash to boost the expertise of our own people
- **Safety checks by technical experts/internal audits.** Some of the safety checks by experts are really good. It depends on the quality of staff and the rigour of sampling. But they tend to focus on the big six of gas, electrical, asbestos, lifts, fire and water. What if something else goes wrong? Too often, internal audit does not lift the lid to find out what is really happening in a service area. Under no circumstances rely on a traffic light cover report. These can provide an illusion of comfort for the unwary. Test how the rating was arrived at for yourself by asking questions. Be sceptical
- Get leadership teams out on the patch (as long as this is a catalyst for well-planned change, not knee jerking)
- Make every visit count (everyone can spot an obviously vulnerable person living in poor conditions – beyond that there is variable ability to diagnose)
- Ensure stock surveys pick up the sorts of repairs tenants order
- Ensure tenants are asked their views as part of the survey. Undertaking an SCS during the summer months may not pick up the damp and mould problems that manifest themselves in the winter
- Make every visit a 'mini SCS' and design it so that a non-technical person can follow it. Treat it as if it were an annual property inspection
- Ensure you contact those who never contact you. Existing housing management IT already allows for no-contact reports to be produced. Ensure housing officers action them
- Force the cultural shift that removes silo working and makes every visiting member of the landlord's staff responsible for picking up and taking action on the defects they observe (rent collectors used to do it and they did not have an HNC in building or handheld devices)
- Make sure there is adequate financial and human resource directed at ensuring properties are maintained at an agreed standard.

Can analytical/predictive technology help? It is impressive in places – we have seen sharp analysis of problems via Power Bi. That can give insights into what repairs are likely to occur. IT visionaries have been talking about predictive models that automate repairs ordering since at least the 1980s. And still we wait in vain.

There are some wider questions about the stock that need consideration too.

Storage and space standards are poor (and when combined with overcrowding) and extended patterns of occupancy (think working from home, etc) contribute to the damp and mould issues, as well as premature failure of building components through excessive wear and tear.

Is it wise to keep patching up homes that are not great? Is it sensible to keep building homes with obvious problems? Why are we pretending that net zero and many service charges are affordable? Let us stop building down to a cost and up to a standard. There is nothing aspirational about most social landlord newbuilds. And as our friends in Norwich will attest, even when you get the design spot on, you simply lose these homes to the Right to Buy.

Training needs a big leap away from the mini-MBA approach that seems prevalent. There has to be more focus on growing our own surveyors with the right blend of technical and human expertise.

Prevention

We can certainly do more to avoid future problems:

- Look before you leap – be a lot more wary of homes you are thinking of acquiring:
 - Check that the design is practical
 - Check that the construction is sound
 - Check that responsibilities for lifts, cladding, district heating, etc are clear and unified
 - Do not be seduced by new-build cash flow projections – those management and maintenance costs might be too good to be true
 - Do not assume that tenants and leaseholders will pay the full service charges no matter what – you cannot get blood out of a stone.
- Painstaking due diligence before merger is essential – we never cease to be amazed by the inability of some to recognise serious problems that everyone else knew about. The eyes are bigger than the belly.

Finally, it is a question of pulling it all together and acting. It is not too hard to sketch out a system where we gather better information more efficiently. It is not hard to imagine some form of database that churns out actions in priority order and monitors completion. But actually delivering that is tricky – we have yet to see a housing IT system that works as well as it ought to (providers and users blame each other).

If we carry on like this, we might build a few dams to stem the flow. That is a good thing. But we need a bigger shift from the industry and the government.

At the moment we are trying to solve the stock crisis one ombudsman case at a time. That certainty airs the problem. But it will not crack it. Only lots more cash, a stronger focus and better trained people will do that. To be fair, the Housing Ombudsman sees this – hence his call for a Royal Commission. There are issues with the condition of homes and our relationship with tenants that we are simply not on top of today.

For more detail on stock condition and surveys, see HQN briefings [Navigating the surge in social housing repairs](#) and [The impact of Awaab's law on RP maintenance operations](#).

On 23 April you can join Wayne along with fellow expert Dorota Pawlowski for a masterclass on Awaab's law, which will cover everything you need to know about the new legislation, requirements and timescales.

[Click here to book.](#)

Appendix 1 – Table of repair visits

House with gas supply

Activity over 20 years	Cycle	Visits	Assumptions
Repairs (episodic small isolated repairs – including gas)	N/A	60	Excludes any pre/post inspections and more complex repairs
Gas safety	1 year	20	Assumes CO detector and smoke detector also checked
Electrical safety	5 years	4	Excludes any remedial work
Kitchen refurb	20 years	7	Assumes five day turnaround, one pre start survey, one asbestos survey
Bathroom refurb	20 years	5	Assumes three day turnaround, one pre start survey, one asbestos survey
Replace heating	15 years	3	Assumes one day turnaround, one pre survey
External painting	7 years	4	Assumes one day turnaround, one pre survey each cycle of seven years
Stock survey	5 years	4	Assumes four surveys
Total		107	
To be added if required in above timeline			
Rewire	30 years	5	Assumes three day turnaround, one pre start survey, one asbestos survey
Replace external doors x2	20 years	2	Assumes one day turnaround, one pre start survey
Replace windows	30 years	2	Assumes one day turnaround, one pre start survey
Roofing	60 years	7	Assumes three day turnaround, one pre start survey, one asbestos survey, two scaffold up/down
Total		16	

Self-contained flat in block of more than two dwellings

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Kitchen refurb	20 years	7	Assumes five day turnaround, one pre start survey, one asbestos survey
Bathroom refurb	20 years	5	Assumes three day turnaround, one pre start survey, one asbestos survey
Replace heating	15 years	3	Assumes one day turnaround, one pre survey
External painting	7 years	4	Assumes one day turnaround, one pre survey each cycle of seven years
Stock survey	5 years	4	Assumes four surveys
Fire door checks	6 monthly	40	
Total		147	
To be added if required in above timeline			
Rewire	30 years	5	Assumes three day turnaround, one pre start survey, one asbestos survey
Replace external doors x2	20 years	2	Assumes one day turnaround, one pre start survey
Replace windows	30 years	2	Assumes one day turnaround, one pre start survey
Roofing	60 years	7	Assumes three day turnaround, one pre start survey, one asbestos survey, two scaffold up/down
Total		16	

Activity over 20 years	Cycle	Visits	Assumptions
Other additions if required			
Solid fuel checks (including CO detector check)	6 monthly	1	e/o gas safety check
Smoke detector check (all elec properties)	1 year	1	In place of gas/smoke detector check
External balcony check	5 years	4	
External fire escape check	5 years	4	

Figure excludes:

- Disrepair claims – assume additional four days per episode over line three
- Awaab's law risks – assume additional three days per episode over line three
- Annual checks and maintenance of stair/through floor lifts.

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