

Chesterfield Borough Council

Stock Condition Survey Report

September 2017

Prepared For:



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Chesterfield Borough Council

Stock Condition Survey

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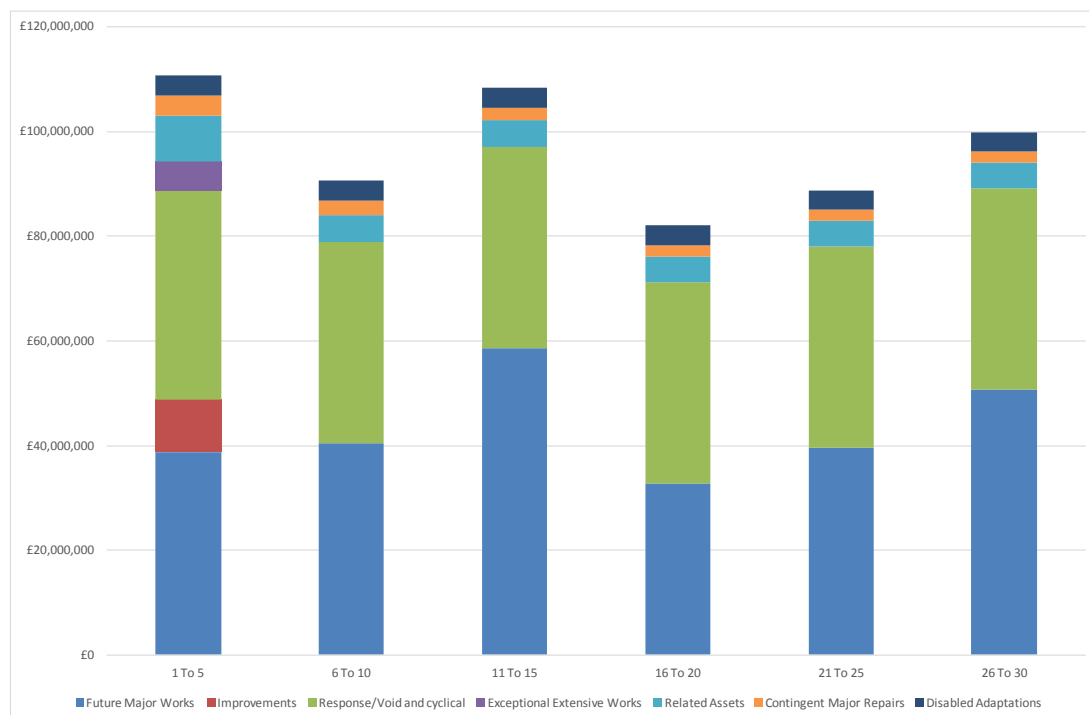
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PART A - EXECUTIVE SUMMARY

- 1.0 Savills were invited to submit a quotation for a sample stock condition/asbestos survey to the whole stock by Chesterfield Borough Council and we duly submitted our proposal on 12th February 2017 through the framework provisions of the Professional Services Hub. Following discussion at the Council's offices we were instructed to undertake the work. In summary, the main objectives of the exercise were:
- a. To provide accurate and statistically reliable information concerning repairs and maintenance as well as improvement costs, in the standard business plan reporting categories, forecast over a 30 year term. This will be used to assist with the Council's position in light of the Self Financing review;
 - b. To collect, validate and report upon attribute and condition information about the stock for the purpose of improving existing records and future maintenance planning;
 - c. To establish a methodology upon which further surveys may be undertaken in the future to supplement this survey exercise;
 - d. To provide accessible, reliable and easily maintainable planning data for future repairs, maintenance and improvement programmes including the provision of a written summary report and outputs to the Council's computer database containing the survey results.
- 1.1 Accordingly we have undertaken a stock condition survey of Chesterfield Borough Council's housing stock with a view to assessing the current and future repairs and maintenance liability. We have surveyed a representative sample of 960 dwellings of the Council's housing stock of 9,286 units (excluding leaseholders) as part of the on-going cycle of surveying that the Council is undertaking.
- 1.2 This report follows on from an original stock condition survey completed for the Council in 2007, 2010 and 2014. With the Council having already reached 100% data capture in respect of the stock condition survey, they quite rightly wish to maintain its accuracy and best practice

by continuing a rolling programme of surveys to ensure that the survey data remains no more than 5 years old.

- 1.3 The majority of properties within the stock are of traditional construction although there are a number of high-rise and non-traditional properties including BL8, BISF, Cornish, No-Fines, Reema, Tarran, Timber Frame and Unity construction.
- 1.4 The stock has improved since the 2014 surveys with the investment put into the stock being directed in the right areas. Continuing investment is still required to maintain the stock to current decent levels across all major elements.
- 1.5 The total forecast expenditure to improve and maintain the stock and related assets over 30-years equals £580.4m. This equates to £62.626 per dwelling or £2,088 per dwelling per annum. The costs are at a base date of August 2017 and comprise items of capital and revenue maintenance expenditure; they include contract preliminaries, but exclude professional fees, management costs and VAT. The breakdown of expenditure is illustrated in the table below:



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- 1.6 The overall level of costs falls within our expected benchmark totals for a stock of this size and type and confirm our comments in 1.4.
- 1.7 The spread of costs for Future Major Works (capital replacement works) is split over the 30-year forecast period with £158.5m (61%) required for internal works and £102.4m (39%) for external/communal works. However, within the next five years over 72% of predicted expenditure is for external works, which is reflective of the type of work carried out and the general age profile of the stock..
- 1.8 The responsive/void and cyclical, or 'revenue', works total £232m over the 30-year forecast period. These costs were derived from reviewing current Council expenditure and will ensure that existing commitments in this regard will continue to be met..
- 1.9 The stock includes a number of high rise and non-traditional dwellings of BL8, BISF, Cornish, No-Fines, Reema, Tarran, Timber Frame and Unity construction. Curtins Consulting Engineers were instructed in 2014 to complete a structural survey of all non-traditional dwellings and the Council have completed all of the recommendations except for the Unity dwellings that are programmed to be completed over the next five years.
- 1.10 There will be an ongoing cyclical requirement to repeat the structural survey to ensure that the integrity of the structures are performing within expectations.
- 1.11 Our stock condition survey has included an assessment of the properties against the decent homes criteria as set out by the CLG. In undertaking this piece of work, we have assessed the properties in terms of the Housing Health and Safety Rating system, together with assessment of the key/other building components, modern facilities and thermal comfort.
- 1.12 The stock fully complies with the Decent Homes Guidance. This percentage compares with a Local Authority failure rate of 14.3% [ref: English House Condition Survey Headline Report; CLG, 2014-15]. As with all landlords, the Council will have ongoing in year failures to deal with and plan for dwellings that are potential non-decent in the short and medium term.
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- 1.13 The cost of achieving decent homes to ensure all dwellings are decent within the next five years is included within our cost summaries. The 30 year forecast will also ensure that all dwellings are maintained to this standard throughout this term.
- 1.14 All information recorded during the stock condition survey has been loaded onto the Council's Keystone Asset Management Database and all reports have been produced off this system once validated and loaded.

PART B – MAIN REPORT

2.0 INTRODUCTION

- 2.1 Savills were invited to submit a quotation for a stock condition survey by Chesterfield Borough Council and we duly submitted our proposal on 12th February 2017 through the framework provisions of the Professional Services Hub. Following an interview at the Council's offices we were instructed to undertake the work.
- 2.2 We have undertaken 960 internal and external stock condition surveys to assist with maintaining the Council's 100% data records in good and accurate order.
- 2.3 We worked with the Council to obtain the information we required, such as address lists, location plans, details of construction types, etc. The survey work was undertaken during March and April 2017 and the survey data was subsequently loaded onto our computer system. A summary of all costs is included at **Appendix 1**, and a detailed elemental cost report included at **Appendix 2**.
- 2.4 The primary purpose of the Stock Condition Survey has been to assess the cost of the work to repair and maintain the stock for the next 30 years, the results of which will be used to inform the Council's business planning in relation to Local Authority Self Financing. Also, the survey has assessed the requirements to bring all properties to a decent standard and then to maintain them at that standard thereafter.

3.0 PROPERTY DATABASE AND SAMPLING

- 3.1 A database of properties was provided by the Council, representing the stock to be surveyed as at February 2017. The stock list contained 1,800 dwellings with the intention of surveying 960 dwellings in total.
- 3.2 The housing stock totals 9,268 tenanted dwellings .There was no requirement to produce a sample framework as the Council have 100% data and the dwellings selected are amongst those that have not received a survey in excess of 4 years.

4.0 METHODOLOGY

4.1 The Survey Team

- 4.1.1 The Savills team specialising in planned maintenance and stock condition surveys undertook the survey. The team of surveyors, all of whom are Chartered Surveyors or staff of similar standing, have extensive experience in mass survey projects and were fully briefed on the requirements of the survey before any inspections were carried out on site.

4.2 Quality Control

- 4.2.1 Prior to survey commencement, a pro-forma was devised which was used for data collection. A list of the elements assessed is included at **Appendix 3**. The information was gathered on tablet computers and transferred into our computer database for it to be checked, collated and validated. The methodology and survey objectives were shared and tested by Savills and the Council during a day's pilot survey held prior to the commencement of the main survey.
- 4.2.2 In addition to a comprehensive briefing of all surveyors prior to commencing the inspections, de-briefing meetings were held with all surveyors at the end of each day to enable queries to be dealt with immediately. Spot checks were also made on site of completed surveys to check compliance with the agreed methodology.

4.3 Validation of Data

- 4.3.1 Once the surveys were completed, they were loaded onto our computer database and extensive validation was undertaken electronically to check for anomalies and inconsistencies. Examples of validation routines include:

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- Range checks that ensure all dwellings have the correct amount of survey data and that the desired sample has been achieved.
 - Consistency routines that will look for anomalies between dwellings in certain areas (e.g. if all of the surveyed roofs in one street have a life expectancy of 20 years, but one has a life expectancy of 5 years then an exception report will be produced that is then investigated).
 - Quantity checking designed to prevent errors of survey collection or data inputting (e.g. an extra zero is accidentally added to a roof quantity of 100 sq m making it 1000 sq m)
 - Benchmarking the outputs of the survey against similar housing stocks.

5.0 REPAIR/INVESTMENT CATEGORIES

The survey brief identified various investment categories by which the survey results were to be presented. These categories mirror those required by the business plan. We can confirm that we have complied with this aspect of the brief and fuller explanations of each individual category are provided below.

5.1 Future Major Works

5.1.1 These are defined as “the provision, which should be adequate to cover the periodic overhaul / refurbishment / renewal of the building components and landlords’ fixtures and fittings, to keep the property in lettable condition”.

5.1.2 All building elements have a natural life expectancy, at the end of which they have to be renewed. The life expectancies used in generating costs were based on the following:

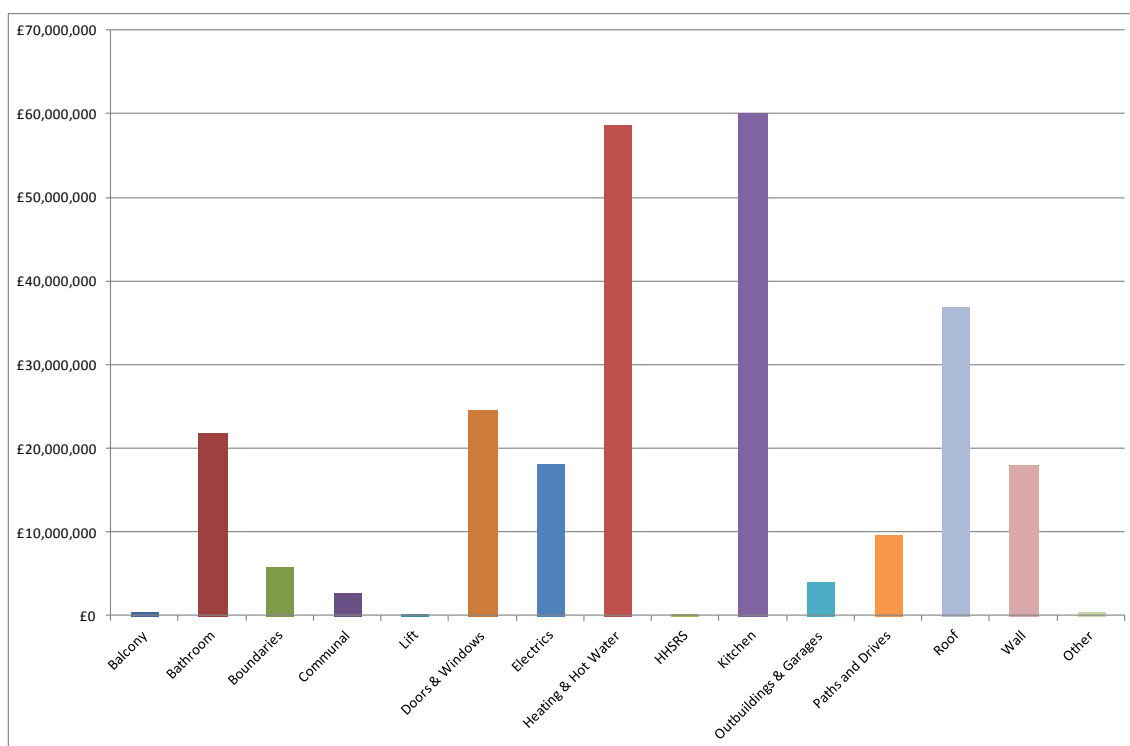
- Industry standards.
- HAPM Property Mutual Limited manual.
- RICS and BRE publications: “Life Expectancies of Building Components”.
- The Council’s experience.
- Our experience.

5.1.3 Our surveyors used their professional judgement to establish when a building component requires replacement and inserted the appropriate year on the survey form. For older building components, or those which we believed to have a limited remaining life, life cycles were ignored and our assessment was based on the condition as found on site from our survey.

5.1.4 We have only recorded those items that will require renewal within the next 30 years and those items falling outside that period have not been subject to a replacement cost within our report.

5.1.5 A full breakdown by individual element is included at **Appendix 2**. The elements, however, can be grouped together to present the costs under larger grouped headings, as shown below:

Future Major Works Years 1-30		
Balcony	£391,687	0.2%
Bathroom	£21,793,179	8.4%
Boundaries	£5,802,808	2.2%
Communal	£2,649,380	1.0%
Lift	£58,140	0.0%
Doors & Windows	£24,543,846	9.4%
Electrics	£18,091,791	6.9%
Heating & Hot Water	£58,632,873	22.5%
HHSRS	£164,341	0.1%
Kitchen	£60,018,779	23.0%
Outbuildings & Garages	£3,982,998	1.5%
Paths and Drives	£9,578,430	3.7%
Roof	£36,874,300	14.1%
Wall	£17,980,153	6.9%
Other	£350,000	0.1%
Total	£260,912,705	



5.1.6 As can be seen from the table and graph above, substantial investment is required for all groupings over the next 30 years with heating, roofing and kitchen renewals being the most prominent.

5.1.7 The spread of costs across the 30 year forecast period varies on each element. The factors that will determine the requirement for a replacement will include its age, condition, time since last repair/replacement, exposure, damage etc. The two tables below are intended to demonstrate firstly the amount of expenditure required for each group in each ten year period and secondly, where the greatest proportions of spend is for each group.

	Years 1-10	Years 11-20	Years 21-30	TOTAL
Balcony	£129,096	£112,350	£150,242	£391,687
Bathroom	£2,594,404	£7,091,834	£12,106,941	£21,793,179
Boundaries	£2,761,270	£1,818,803	£1,222,734	£5,802,808
Communal	£1,566,841	£807,412	£275,127	£2,649,380
Lift	£58,140	£0	£0	£58,140
Doors & Windows	£5,490,997	£7,490,784	£11,562,065	£24,543,846
Electrics	£3,871,908	£5,960,123	£8,259,760	£18,091,791
Heating & Hot Water	£10,518,114	£20,466,490	£27,648,269	£58,632,873
HHSRS	£141,911	£10,194	£12,236	£164,341
Kitchen	£17,319,006	£25,335,452	£17,364,321	£60,018,779
Outbuildings & Garages	£2,265,597	£1,081,698	£635,704	£3,982,998
Paths and Drives	£4,800,793	£3,393,546	£1,384,091	£9,578,430
Roof	£18,538,567	£12,177,073	£6,158,660	£36,874,300
Wall	£8,862,447	£5,629,792	£3,487,914	£17,980,153
Other	£350,000	£0	£0	£350,000
Total	£79,269,091	£91,375,549	£90,268,065	£260,912,705

	Years 1-10	Years 11-20	Years 21-30	TOTAL
Balcony	33%	29%	38%	£391,687
Bathroom	12%	33%	56%	£21,793,179
Boundaries	48%	31%	21%	£5,802,808
Communal	59%	30%	10%	£2,649,380
Lift	100%	0%	0%	£58,140
Doors & Windows	22%	31%	47%	£24,543,846

	Years 1-10	Years 11-20	Years 21-30	TOTAL
Electrics	21%	33%	46%	£18,091,791
Heating & Hot Water	18%	35%	47%	£58,632,873
HHSRS	86%	6%	7%	£164,341
Kitchen	29%	42%	29%	£60,018,779
Outbuildings & Garages	57%	27%	16%	£3,982,998
Paths and Drives	50%	35%	14%	£9,578,430
Roof	50%	33%	17%	£36,874,300
Wall	49%	31%	19%	£17,980,153
Other	100%	0%	0%	£350,000
Total	30%	35%	35%	£260,912,705

	Greatest Proportion of expenditure over a 10 Year Period
	Intermediate Proportion of expenditure over a 10 Year Period
	Least Proportion of expenditure over a 10 Year Period

5.1.8 The striking points from the coloured table are as follows:

- The effect of the decent homes programme is evident with the greatest cost now represented at the middle/end of the forecast period for all internal elements and windows and doors. These later costs relate to the life cycle replacement of the recent installations the stock has benefited from over the past few years;
- The roofing costs are profiled such 50% of required expenditure is required in the next 10 years and this is reflective of the age profile of the stock;
- The emphasis of works over the next ten years will move from internal to external/environmental works

5.1.9 In overall terms the profile compares favourably to many Local Authorities with a relatively level spend in each of the next ten years. This should enable the Council to plan and procure works over a longer period and develop a proactive approach to elemental renewals

5.2 Responsive, Void and Cyclical Property Maintenance

- 5.2.1 Responsive and Void property maintenance is defined by the CLG as “maintenance arising from the landlord’s obligation to carry out repairs to a property, either upon a tenant’s request or arising from staff inspection or in connection with the re-letting of a property”.
- 5.2.2 The definition of cyclical maintenance and servicing is generally similar to that stated for future major repairs. However, it is more specifically identified as the regular servicing and inspection of mechanical and electrical equipment and redecorations with associated repairs.
- 5.2.3 The Council provided us with information of the levels of expenditure currently being experienced by the Council for both responsive and void property maintenance. This currently equates to a total of £8.61m per annum, reducing to £7.69m from year 3 onwards.

5.3 Related Assets / Estate Works

- 5.3.1 This stock condition survey did not include any related assets or other items of repair that the Council may be responsible for outside the curtilage of dwellings. We have included the following from the Council’s Business Plan:
- Years 1-5 average £1.774m p.a
 - Years 6-10 average £1m p.a.

5.4 Contingent Major Repairs

- 5.4.1 Contingent major repairs are defined as repairs of a kind, which cannot be specifically foreseen and may arise from latent defects in construction, design, timber infestations and decay, uninsured settlement and other uninsured risks. We have worked with the Council to predict such items and have included for item such as wall tie failure, passive ventilation and garden drainage works.

5.4.2 We have 15.3m over the 30 year forecast period broken down into the following headings:

- Asbestos Removal Works
- Fire Risk Works/Bin Stores
- Fire Safety Sprinkler Systems
- Fire Risk Assessments
- Asbestos Management / R&D Surveys
- General Contingency

5.5 Exceptional Extensive Works

5.5.1 Exceptional Extensive Works are major works which are required to remedy particular significant defects and fall outside the definition of routine repairs and maintenance. They are usually works needed to provide the most effective technical solutions and will reduce future repair and maintenance costs. An example would be overcladding of a block to prevent water penetration which was causing damp.

5.5.2 Within the Council's housing stock there are a number of non-traditional properties. Due to the form of construction, some of these properties may suffer from various defects such as poor thermal insulation qualities or inherent structural faults. We instructed a firm of Structural Engineers, Curtins, to review this area in detail and they have produced their findings under separate cover dated 21st May 2014.

5.5.3 The Council have either completed, or have budgeted to complete all of the recommendations in the next 5 years. The remaining works related to the Unity non-traditional dwellings.

5.6 Decent Homes Assessment

5.6.1 As part of our survey we have made an assessment of the level of non-decency in the housing stock. This assessment has been measured in accordance with the guidelines set out by the

CLG. We have identified that all dwellings pass this assessment, which compares against a national average of circa. 14% failure.

5.6.2 A decent home, as described by Central Government, is one that is wind and weather tight, warm and has modern facilities. In order for a social landlord to achieve this aim any individual dwelling must meet the following criteria:

a) It meets the current statutory minimum standard for housing

This is currently defined as a Category 1 failure as defined by version 2 of the Housing Health and Safety Rating System 2004.

b) It is a reasonable state of repair

Dwellings that fail this criterion are those elements such as roofs, rewires, boilers etc that are **old** (i.e. their age exceeds their life cycle) **and in poor condition** (i.e. identified by the surveyor as needing replacement or a major repair).

The elements listed within this criteria are sub-divided into two sections, namely key components and non-key components. Failure of a single key component will fail the dwelling completely, whereby the non-key components require two or more failures to make the property non-decent.

Whenever a key component fails then the property will become non-decent in that year, however the concurrent failure of two non-key components may occur over several years (e.g. a kitchen in year 1 and bathroom in year 5).

Within the example listed above there is no fixed guidance as to how it should be reported. To avoid confusion and maintain consistency with the general cost reports, we would include the cost for the kitchen and bathroom in the years that they fail. We would **not**

include any costs for a dwelling that only has one non-key component failure over the forecast period.

b) It has reasonably modern facilities and services

The guidance lists six points of failure and any individual dwelling must fail on three or more items to be deemed non-decent. As with the methodology employed for non-key components, we have included the items within the predicted year of failure in our decent homes reports and will only include costs for those dwellings that have three or more failures before 2010.

Both modern facilities and non-key components can fail on kitchen and bathroom installations, therefore producing the potential for double counting within our decent homes reports. To overcome this our database identifies which criteria the property fails first and then prevents the other criteria from becoming populated by the same data.

An example of the above would be a dwelling that has an **old** kitchen and bathroom and one other modern facilities failure in year 1. The survey also recognizes that the kitchen and bathroom are **old and in poor condition** in later years. In such instances we would not include any costs for the non-key component potential failures.

c) It provides a reasonable degree of thermal comfort

This criterion requires dwellings to have both effective insulation and efficient heating.

Again there is a potential for double counting in such situations where a dwelling does not have efficient heating and the boiler or heating distribution system is old and in poor condition under criterion b. In such circumstances we will include for the requisite replacement when it first appears and then exclude it from re-appearing in the other criterion.

6.0 LEVELS OF PRICING

- 6.1 The work recorded as part of the Stock Condition Survey has been priced using a Schedule of Rates, from the Keystone Asset Management System. The Schedule has been based on the Council's experience of letting contracts locally and our experience with other Local Authorities/Housing Associations with similar types and numbers of property.
- 6.2 If the work is planned and procured correctly, we believe that the unit rates identified can be achieved. However, poor planning/procurement could result in large volumes of work put on the market at the same time resulting in "overheating" and cost increases as a consequence.

7.0 COST REPORTS

- 7.1 A summary of all costs and an elemental summary for the whole stock is included at **Appendix 1**. An elemental breakdown of cost is included at **Appendix 2**. All costs are exclusive of management and administration charges, professional fees, any decanting costs and VAT.
- 7.2 The base date for costs is August 2017, we have made no allowance for inflation after this date.

8.0 LIMITATIONS OF SURVEY

8.1 The inspections and report are subject to the limitations set out at **Appendix 3**.

9.0 DATABASE

- 9.1 A requirement of the Brief was to provide the survey data in a user-friendly format for import into the Council's Keystone asset management system. In the first instance, we have loaded all survey data into our own specialist software to enable us to validate and benchmark the survey data. The completed survey database has been provided to the Council.

10.0 AIDS AND ADAPTATIONS (also known as Disabled Adaptations)

- 10.1 Housing adaptations play an important role to help disabled people remain in the comfort and safety of their own homes, rather than having to go into residential care.
- 10.2 We have allowed a provision of £0.75m per annum for the 30 year forecast to cover both major and minor adaptation work. These figures are based on existing Council information and were agreed by all parties as a reflection of future need.

11.0 LEASEHOLDERS

- 11.1 For a number of years tenants have been able to purchase their dwellings from Local Authorities and Housing Associations. In the majority of cases the tenant will purchase the 'freehold' interest and the Council will no longer have any further obligations to repair and maintain the property. However, there are instances where it becomes impossible for a single tenant to purchase the freehold, usually because the construction of the dwelling forms part of a larger building (e.g. a single flat in a block).
- 11.2 In such circumstances as described above, the tenant will purchase the 'leasehold' interest and the Council will retain the freehold of the complete block. A contract, or lease, will be signed between the Council and leaseholder, part of which will contain covenants as to who is liable for repairs and maintenance. It is common practice for the freeholder to be responsible for the external/communal areas and the leaseholder to be responsible for the internal works.
- 11.3 A leaseholder will benefit from any repairs to the external and communal areas and the lease will set out how the freeholder will be reimbursed for the works. This is normally achieved via one, or a combination, of the methods listed below:
- Service Charge – the leaseholder will pay a fixed amount on regular dates and the freeholder will undertake all repairs as necessary.
 - The freeholder will undertake the works and charge the leaseholder a percentage of the value of those works proportional to their benefit. An example would be where the freeholder to a block of 10 flats spends £50,000 renewing the roof covering and the leaseholders would pay a contribution of £5,000 each.
- 11.4 Unfortunately it is rarely as simple as stated above and a Council may have entered into a number of different leases over the years all with varying obligations. It would take an extremely

long time to review each lease individually and accurately work out the leaseholder contributions for the whole stock.

- 11.5 This survey assumes that the Council is not responsible for the costs associated with the repair and maintenance of the external and common parts of the leaseholder dwellings (no internal costs are included), on the basis that they are recharged. If this is not the case then an allowance should be made in the Council's business plan for any recharge or under recovery for such works.

Appendix 1

Summary of All Costs

CHESTERFIELD BOROUGH COUNCIL

Grand Total							
Element	1 To 5	6 To 10	11 To 15	16 To 20	21 To 25	26 To 30	Totals
Future Major Works	£38,746,090	£40,523,000	£58,658,636	£32,716,913	£39,552,994	£50,715,071	£260,912,705
Improvements	£9,975,000	£0	£0	£0	£0	£0	£9,975,000
Response/Void and cyclical	£39,955,000	£38,455,000	£38,455,000	£38,455,000	£38,455,000	£38,455,000	£232,230,000
Exceptional Extensive Works	£5,569,504	£0	£0	£0	£0	£0	£5,569,504
Related Assets	£8,871,150	£5,000,000	£5,000,000	£5,000,000	£5,000,000	£5,000,000	£33,871,150
Contingent Major Repairs	£3,813,171	£2,870,263	£2,464,991	£2,127,083	£2,059,583	£2,025,833	£15,360,924
Disabled Adaptations	£3,750,000	£3,750,000	£3,750,000	£3,750,000	£3,750,000	£3,750,000	£22,500,000
Grand Total	£110,679,915	£90,598,263	£108,328,627	£82,048,996	£88,817,577	£99,945,904	£580,419,283
Total per annum	£22,135,983	£18,119,653	£21,665,725	£16,409,799	£17,763,515	£19,989,181	£19,347,309

All costs are exclusive of Professional Fees, VAT, management and administration costs and are based on today's prices. Costs are inclusive of preliminaries.

Stock Total	9,268
Cost Per Unit - 30 yrs	£62,626
Base Date of Survey	August-17

Appendix 2

Element Costs

CHESTERFIELD BOROUGH COUNCIL

Future Major Works

Element	1 To 5	6 To 10	11 To 15	16 To 20	21 To 25	26 To 30	Totals
Balcony	£48,891	£80,205	£73,559	£38,791	£72,651	£77,591	£391,687
Bathroom	£1,085,972	£1,508,432	£2,799,831	£4,292,002	£6,345,491	£5,761,450	£21,793,179
Boundaries	£1,719,488	£1,041,783	£1,072,071	£746,732	£620,511	£602,224	£5,802,808
Communal	£401,847	£1,164,994	£650,112	£157,300	£121,000	£154,127	£2,649,380
Lift	£58,140	£0	£0	£0	£0	£0	£58,140
Doors & Windows	£2,394,156	£3,096,841	£3,910,504	£3,580,281	£6,313,345	£5,248,720	£24,543,846
Electrics	£1,583,281	£2,288,627	£2,259,845	£3,700,279	£3,572,731	£4,687,029	£18,091,791
Heating & Hot Water	£2,284,819	£8,233,295	£17,667,170	£2,799,319	£9,127,437	£18,520,832	£58,632,873
HHSRS	£137,879	£4,031	£3,171	£7,023	£7,451	£4,786	£164,341
Kitchen	£6,025,491	£11,293,515	£17,768,252	£7,567,200	£6,073,600	£11,290,721	£60,018,779
Outbuildings & Garages	£1,498,966	£766,630	£649,726	£431,971	£451,467	£184,236	£3,982,998
Paths and Drives	£3,178,316	£1,622,477	£1,741,675	£1,651,870	£843,673	£540,418	£9,578,430
Roof	£11,964,985	£6,573,582	£6,657,294	£5,519,779	£4,048,074	£2,110,586	£36,874,300
Wall	£6,013,859	£2,848,588	£3,405,425	£2,224,367	£1,955,562	£1,532,352	£17,980,153
Communal Lighting Replacement	£50,000	£0	£0	£0	£0	£0	£50,000
Internal Soil Stacks	£100,000	£0	£0	£0	£0	£0	£100,000
Stairlift Replacement	£50,000	£0	£0	£0	£0	£0	£50,000
4G Filters and Door Entry Cameras and Sky+	£50,000	£0	£0	£0	£0	£0	£50,000
Communal Doors inc. Door Entry System	£100,000	£0	£0	£0	£0	£0	£100,000
Total Future Major Works	£38,746,090	£40,523,000	£58,658,636	£32,716,913	£39,552,994	£50,715,071	£260,912,705
Total per annum	£7,749,218	£8,104,600	£11,731,727	£6,543,383	£7,910,599	£10,143,014	£8,697,090

All costs are exclusive of Professional Fees, VAT, management and administration costs and are based on today's prices. Costs are inclusive of preliminaries.

Improvements

Element	1 To 5	6 To 10	11 To 15	16 To 20	21 To 25	26 To 30	Totals
Sheltered Refurbishment	£5,865,000	£0	£0	£0	£0	£0	£5,865,000
Neighbourhood Action Plan-Barrow Hill Imps	£4,110,000	£0	£0	£0	£0	£0	£4,110,000
Total Improvements	£9,975,000	£0	£0	£0	£0	£0	£9,975,000
Total per annum	£1,995,000	£0	£0	£0	£0	£0	£332,500

All costs are exclusive of Professional Fees, VAT, management and administration costs and are based on today's prices. Costs are inclusive of preliminaries.

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Exceptional Extensive Works

Element	1 To 5	6 To 10	11 To 15	16 To 20	21 To 25	26 To 30	Totals
Unity	£5,569,504	£0	£0	£0	£0	£0	£5,569,504
Total Exceptional Extensive Works	£5,569,504	£0	£0	£0	£0	£0	£5,569,504
Total per annum	£1,113,901	£0	£0	£0	£0	£0	£185,650

All costs are exclusive of Professional Fees, VAT, management and administration costs and are based on today's prices. Costs are inclusive of preliminaries.

Related Assets

Element	1 To 5	6 To 10	11 To 15	16 To 20	21 To 25	26 To 30	Totals
Garage Site Improvements	£800,000	£625,000	£625,000	£625,000	£625,000	£625,000	£3,925,000
Footpath Proactive Maintenance	£700,000	£625,000	£625,000	£625,000	£625,000	£625,000	£3,825,000
Structural Works	£1,300,000	£1,250,000	£1,250,000	£1,250,000	£1,250,000	£1,250,000	£7,550,000
Estate Environmentals	£6,071,150	£2,500,000	£2,500,000	£2,500,000	£2,500,000	£2,500,000	£18,571,150
Related Assets	£8,871,150	£5,000,000	£5,000,000	£5,000,000	£5,000,000	£5,000,000	£33,871,150
Total per annum	£1,774,230	£1,000,000	£1,000,000	£1,000,000	£1,000,000	£1,000,000	£1,129,038

All costs are exclusive of Professional Fees, VAT, management and administration costs and are based on today's prices. Costs are inclusive of preliminaries.

Contingent Major Repairs

Element	1 To 5	6 To 10	11 To 15	16 To 20	21 To 25	26 To 30	Totals
Asbestos Removal Works	£676,360	£473,452	£338,180	£135,272	£135,272	£135,272	£1,893,808
Fire Risk Works/Bin Stores	£1,080,000	£540,000	£270,000	£135,000	£67,500	£33,750	£2,126,250
Fire Safety Sprinkler Systems	£200,000	£0	£0	£0	£0	£0	£200,000
Fire Risk Assessments	£161,000	£161,000	£161,000	£161,000	£161,000	£161,000	£966,000
Asbestos Management / R&D Surveys	£1,195,811	£1,195,811	£1,195,811	£1,195,811	£1,195,811	£1,195,811	£7,174,866
Contingency	£500,000	£500,000	£500,000	£500,000	£500,000	£500,000	£3,000,000
Contingent Major Repairs	£3,813,171	£2,870,263	£2,464,991	£2,127,083	£2,059,583	£2,025,833	£15,360,924
Total per annum	£762,634	£574,053	£492,998	£425,417	£411,917	£405,167	£512,031

All costs are exclusive of Professional Fees, VAT, management and administration costs and are based on today's prices. Costs are inclusive of preliminaries.

Appendix 3

Limitations of Survey

LIMITATIONS OF SURVEY

- 1.1 Repairs and replacements have been costed on a “like for like” replacement basis, with improvements and contingency works dealt with as a separate exercise where they do not clearly form part of the repair process. In the event of remedial works requiring vacation of the property, no allowance has been made in the costings for such relocation.
- 1.2 Savills have not undertaken structural surveys of the properties and have not inspected woodwork or other parts of the structure, which were covered, unexposed or inaccessible. It is therefore not possible to report that such parts are free from defects.
- 1.3 Inspections have not been made of flues, ducts, voids or any similarly enclosed areas, access to which was not readily available at the time of our inspection and we are therefore unable to report that such areas remain free from defect.
- 1.4 No specific inspection or specialist testing has been undertaken to establish whether high alumina cement concrete, calcium chloride additives, woodwall slab permanent formwork construction, asbestos or other deleterious materials are present within the construction.
- 1.5 No samples have been taken nor any analysis made of the sulphate content of the load bearing sub-soil adjacent to the foundations.
- 1.6 No testing of electrical, mechanical, water, drainage, air conditioning, lifts or other services have been undertaken by Savills.
- 1.7 Savills have not made any formal enquiries in respect of existing user rights, town planning and road widening, legal interests, fire certificates, effluent agreements, party wall agreements, prescriptive rights, easements, wayleaves, statutory consents or contaminated land.
- 1.8 We have not included in our calculations any costs or fees incurred which might arise from the application of the Party Wall Act 1996.