

Report of the Cabinet Member for Service Transformation

To the Service Improvement and Finance Scrutiny Performance Panel – 8th November 2022

Update on Reaching the Welsh Housing Quality Standard

Purpose:	To brief the Service Improvement and Finance Scrutiny Performance Panel on 10 th May 2021			
Content:	An update on meeting the Welsh Housing Quality Standard			
Councillors are being asked to:	Consider the information provided and to forward views to the Cabinet Member via a letter from the Panel Convener			
Lead Councillor:	Councillor Andrea Lewis, Cabinet Member for Service Transformation			
Lead Officer & Report Author:	Carol Morgan and David Meyrick E-mail: dave.meyrick@swansea.gov.uk			
Finance Officer:	Jeff Dong			
Legal Officer:	Debbie Smith			
Access to Services Officer:	Rhian Millar			

1. Background

- 1.1 In May 2021 the Cabinet Member for Service Transformation reported to the panel on the Council's progress towards meeting the Welsh Housing Quality Standard (WHQS) and how due to Covid19, the Welsh Government had allowed the Council an extension of 12 months to complete its programmes and meet the standard.
- 1.2 The Council has now met the standard and the purpose of this report is to set out the achievements since WHQS was introduced, compliance levels and the positive impact this programme has had on council tenants as well as the local economy.

2. Compliance Reporting

- 2.1. The WHQS is a statutory requirement for all social landlords in Wales and for Swansea forms a part of the Council's Local Housing Strategy. The Council has in place a WHQS Compliance Policy and submits WHQS compliance figures to Welsh Government annually. Financially, annual business plans have ensured sufficient investment has been available to deliver detailed programmes of repairs and improvements. Budgets and programmes of major repairs will continue to be reported to Council annually and will draw on the same areas of updated information including general and specialist stock condition surveys as well as feedback from repair services.
- 2.2. Compliance levels are reported annually to Welsh Government and are made publicly available by StatsWales. The most recent compliance levels were submitted to Welsh Government in June 2022 covering the period between 1st April 2021 and 31st March 2022 to reflect the level of compliance at the end of the full financial year. Compliance levels for all social landlords in Wales are due to be published on 10th November 2022.
- 2.3. Whilst Welsh Government set a deadline for social landlords to reach the standard, it still requires social landlords to maintain their homes to the WHQS, and to continue reporting compliance and submit business plans. Financially, the Welsh Government will continue to support the process via its Major Repairs Allowance (MRA).

3. WHQS Measurement

- 3.1. The WHQS sets out its requirements across six main themes including good state of repair; safe and secure; adequately heated; fuel efficient and well insulated; up to date kitchens and bathrooms; located in safe and attractive environments and suit the specific requirements of the household. Compliance is achieved when building elements within these themes are considered to be in reasonable condition and performing as intended. The level of compliance is recorded via house condition surveys and records are updated when major repairs and improvements are completed.
- 3.2. The WHQS allows landlords to record elements within individual homes as 'acceptable fail'. The standard recognises that it may not be achievable for a landlord to bring all the elements up to the standard and social landlords are permitted to report these as one of the following acceptable fail categories: cost of remedy; timing of remedy; residents' choice and physical constraint. Elements which cannot be brought up to the WHQS, continue to be repaired and maintained to ensure homes remain safe.

4. WHQS Compliance

4.1. The Council has reached the WHQS deadline and achieved 70% full compliance with the remaining properties containing one or more acceptable fails. The figures submitted to Welsh Government recorded compliance as of the 31st March 2022 and reflect the delivery of improvements across the full financial year.

- 4.2. Over the last 12 months, full WHQS compliance has increased by 1,818 to 9,571 properties. Those which contain an acceptable fail has decreased in this period and is currently at 4,066 properties, of which 2,062 are due to residents' choice and the remaining 2,004 are due to timing.
- 4.3. Compliance across individual elements are set out in the table below and show high levels of compliance with only small number of properties with an acceptable fail.

WHQS Element	Properties Fully Compliant	Properties with an Acceptable Fail
Roofing	13,477	190
Windows	13,634	3
Doors	13,535	102
Kitchens	12,117	1,520
Bathrooms	11,668	1,969
Heating Systems	13,378	259
Energy Rating	11,847	1,790
Electrical Systems	13,563	74
Smoke Alarms	13,628	9
Gardens	10,980	2,657

- 4.4. It is only in the last 8 years the Council has had sufficient investment to begin to deliver improvement schemes to renew kitchens, bathrooms and upgrade gardens resulting in significant increases in compliance. Elements such roofs, doors, windows, heating and electrical installations have received investment over a much longer period, resulting in stable high compliance levels.
- 4.5. Properties with an acceptable fail will continue to be included in future programmes of improvements and this will increase overall compliance. Some are included in longer term regeneration and/or refurbishment schemes included in the HRA Business Plan via future capital programmes. Tenants that have previously opted out from schemes such as kitchen and bathroom renewal or heating upgrades, can be reintroduced into a programme and work generally delivered in the next financial year.

5. National Picture

5.1. There are 11 stock owning local authorities in Wales of which seven had achieved WHQS compliance prior to the 2021 deadline. The remaining four, including Swansea were compliant by the deadline. The following table sets out the level of compliance last publicly reported with the exception of Swansea where the most recent compliance levels are shown.

Local Authority	Stock	Fully Compliant Stock	Year
Caerphilly	10,654	8,895	2019
Cardiff	13,678	11,282	2019
Carmarthenshire	9,130	8,183	2019
Denbighshire	3,380	1,801	2019
Flintshire	7,263	2,861	2019
Isle of Anglesey	3,884	2,910	2019
Pembrokeshire	5,648	5,244	2019
Powys	5,385	2,752	2019
Swansea	13,637	9,571	2022
Vale of Glamorgan	3,879	2,961	2019
Wrexham	11,057	8,361	2019

- 5.2. Overall, Swansea has a typical proportion of its homes which are fully compliant across its stock, with the remainder being acceptable fails. Nationally, all local authority landlords reported a proportion of their homes contain acceptable fails.
- 5.3. The latest WHQS compliance figures across Wales will be published by Welsh Government around the 10th November 2022. It is expected that compliance will further increase, however it is likely the national picture will continue to show ongoing levels of acceptable fail within those figures.

6. Financial Investment

- 6.1. The Council has invested heavily in achieving the WHQS, primarily through capital investment. This investment has been supported by the Welsh Government which has awarded a Major Repair Allowance each year from April 2004 onwards. In total, Welsh Government will have contributed £165m towards improvements in Swansea.
- 6.2. Based on completed works and their typical costs, the Council has invested over £546m into improving its homes since the introduction of the WHQS. The investment covers a wide range of major repairs and improvements and the table below highlights the main areas:

WHQS	Investment (£)
In a Good State of Repair	£217,934,000
Walls, roofs, windows, doors etc.	
Safe and Secure	£68,355,000
Smoke alarms and fire safety, gas and electrical safety etc.	
Adequately heated and Fuel Efficient	£33,630,000
Boilers, heating controls, loft insulation etc.	
Up to Date Kitchens and Bathrooms	£147,218,000
Kitchen, bathrooms, showers, extractor fans tec.	

Located in Safe and Attractive Environments Repair to garden and wider environmental improvements	£27,923,000
Suit the Requirements of the Household Disabled adaptations – ramps, bathrooms, handrails	£51,300,000
Total	£546,360,000

- 6.3. The WHQS programme has required major input from staff and contractors alike to ensure the programme has been delivered. Achieving WHQS compliance has required clear long term programmes, robust financial plans, major design and procurement exercises and the delivery has depended on vast amount of engagement with tenants and the mobilisation and management of technical operatives.
- 6.4. Within the Council, the Housing Service and Building Services have been central to achieving the standard, however other service areas of the Council have provided their expertise and assistance including Finance, Legal, Highways and Planning.

7. Local Economy

- 7.1. The Council has delivered its WHQS programme through a mix of direct delivery via Building Services and procuring local and Wales based contractors, ensuring the local and the Wales economy has benefitted from this investment.
- 7.2. The Council has also sought to maximise employment opportunities through training and by providing and supporting job opportunities. Building Services has appointed and trained over 60 apprentices, engaged a further 80 fully qualified trade employees in addition to the continued employment of over 300 staff in its service area.
- 7.3. The Council's Beyond Bricks and Mortar team work very closely with external contractors and agencies in Swansea to create training and job opportunities for those considered hard to reach people who have experienced long term unemployment or faced barriers in accessing the job market. Through WHQS contracts the team have created 89 jobs, 46 apprenticeships, numerous training and work experience opportunities and college trainee positions. These opportunities represent a shift in directions and fortunes for many individuals.

8. Tenant Information

8.1. Throughout the delivery of the WHQS programme the Council has sought to inform and engage with tenants on major planned works to their home. The Home Improvement Team have been central to this task and particularly on programmes such as wind and weatherproofing and kitchen and bathroom renewal. As a result, they will have knocked on the door of virtually all 13,600 council homes and engaged with thousands of tenants. By engaging with tenants in this way the Council has been able to understand individual needs and circumstances, to re-assure, identify when to make reasonable adjustments and provide tenants the opportunity to feed into the process and make choices such as the type of kitchen they would like.

- 8.2. The tenant magazine Open House has frequently included updates on progress towards meeting the standard and the Council's website contained updates as well as upcoming programmes allowing tenants to see when work such as kitchen and bathroom renewal was planned for their home.
- 8.3. The Housing Service also facilitates a Tenant Consultative Panel and a Building Repairs Group which recently met in person for the first time since covid restrictions were lifted. These groups offer tenants an opportunity to meet, discuss and feedback on proposals and ongoing housing issues.
- 8.4. The Council periodically conducts 'STAR' surveys which are a standardised customer satisfaction survey undertaken by the majority of social landlords. Recent 2021 results showed many tenants were satisfied with the quality of their home with 75.4% expressing a positive opinion, 13.8% stating they did not have an opinion and 10.8% registering some level of dissatisfaction. Levels of dissatisfaction have reduced from surveys undertaken in 2019 where these were recorded as 14%. Through feedback and engagement, the service aims to better understand the reasons behind tenant dissatisfaction and address these issues.
- 8.5. Resident satisfaction surveys are undertaken on most work streams completed as part of the WHQS programme. The replacement kitchen and bathroom programme is the most intrusive and difficult to deliver while residents remaining in occupation. Analysis of statistical returns across the five participating contractors indicates that 95% of all tenants feel the investment has improved their homes and quality of living while 72% rate the completed work as good or excellent.

9. Future Challenges

- 9.1. The WHQS remains a statutory requirement for all social landlords in Wales and Welsh Government continues to expect the standard to be maintained. This is reflected in the Welsh Government's ongoing financial support through their Major Repair Allowance (MRA) in which they awarded a further £9.2m to Swansea for financial year 2022/23.
- 9.2. Welsh Government are currently consulting on a revision to the WHQS to ensure social housing will meet the oncoming challenges for tenants and landlords. The consultation proposes that the new standard will include challenging retrofit decarbonisation targets to make homes highly thermally efficient, low carbon emitting and importantly affordable places to live for tenants. The new standard also contains requirements to ensure improved storage spaces, water efficiencies and that homes ready for letting are carpeted in the majority of rooms.
- 9.3. Changes are also planned in relation to fire safety in social rented flats in Wales. It understood landlords will be required to examine fire safety arrangements in greater detail and to report levels of compliance annually.
- 9.4. It is estimated the additional measures set out in Welsh Government's WHQS2023 Consultative Document added to existing commitments of maintaining the existing

WHQS will require approximately £875m to achieve the future standard, the target date of which is yet to be confirmed. Responses to the consultation from the Welsh Housing sector, including both Local Authorities and Housing Associations have raised significant concerns over the affordability and deliverability of many of the elements in the new standard. WG are yet to formally respond to the results of the initial consultation.

9.5. Continued Welsh Government financial support in the form of MRA and additional Optimised Retrofit Programme (ORP) grant funding will be linked to the Council's future commitment to planned decarbonisation programmes and its ability to meet future statutory delivery targets.

10. Conclusion

- 10.1. The Council has now reached WHQS compliance. This is a major strategic achievement and milestone reflecting the considerable investment the Council has made in its housing stock. Across those properties with an acceptable fail, over half are due to tenant choice and the remainder are due to timing, where long term regeneration, refurbishment or major repairs are planned.
- 10.2. The Council is required to maintain its homes to the WHQS and will continue to invest in future major repairs and improvements. Tenants who declined WHQS improvements in the past can still receive these improvements. This will result in the continued increase in compliance, reduction in acceptable fail levels and improved stock condition.
- 10.3. The WHQS programme has been a major source of investment locally in and Wales. By rolling out long terms improvements, the programme has supported hundreds of jobs, created opportunities and also been a major source of engagement with tenants.
- 10.4. The primary objective of the WHQS to improve the housing stock has created safer as well as warmer, better insulated, and fuel efficient homes which has improved the comfort and quality for residents, together with associated health benefits of good housing.
- 10.5. Welsh Government plans to build on the success of WHQS by introducing a revised standard WHQS2023 which aims to make existing social housing a higher standard than new properties being built to prevailing Building Regulations. This programme will create financial, planning and practical delivery challenges for the Council well into the next decade.

11. Integrated Assessment Implications

11.1. The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.
- Deliver better outcomes for those people who experience socio-economic disadvantage.
- Consider opportunities for people to use the Welsh language
- Treat the Welsh language no less favourably than English.
- Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.
- 11.2. The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.
- 11.3. Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.
- 11.4. An IIA Screening Form has been completed and a full IIA report is not required. Reaching and maintaining the Welsh Housing Quality Standard for the Council's housing is an example of the 5 Ways of Working promoted by the Wellbeing of Future Generations (Wales) Act 2015 and will contribute towards the 7 well-being goals. The planned programme of repairs set out in this report is about early intervention which will secure social housing for the long term and will benefit future generations. Reaching and maintaining the standard has reduced carbon emissions, increased efficiency and supported employment and the local economy. Future investment will be subject to consultation with those individuals affected via the Council's Major Works Agreement and all schemes needing planning consent will be subject to normal planning procedures and the council's IIA process. Any individual requirement will be taken into account during the scheme liaison process.
- 11.5. Reaching WHQS compliance will secure social housing for the long term, making homes healthier and more efficient places to live.

12. Legal implications

12.1. WG can exercise powers under the Housing (Wales) Act 2014 if there is a failure to meet the statutory obligation referred to above.

13. Financial Implications

13.1. The financial implications of achieving WHQS compliance to date are outlined in 6.2 of this report. The estimated of attaining future WHQS standards is outlined in

9.4 of this report. Ongoing maintenance of the WHQS is included in the HRA Business Plan.

Glossary of terms:

WHQS Welsh Housing Quality Standard

Background papers: None Appendix A: Integrated Impact Assessment screening

Integrated Impact Assessment Screening Form

Please ensure that you refer to the Screening Form Guidance while completing this form.

Which service area and directorate are you from? Service Area: Housing and Public Health Directorate: Place

Q1 (a) What are you screening for relevance?

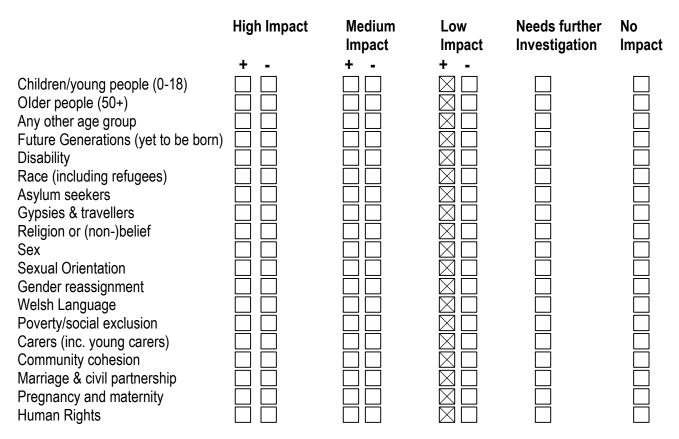
	New and revised policies, practices or procedures Service review, re-organisation or service changes/reductions, which affect the wider community, service users and/or staff
	Efficiency or saving proposals
	Setting budget allocations for new financial year and strategic financial planning
	New project proposals affecting staff, communities or accessibility to the built
	environment, e.g., new construction work or adaptations to existing buildings,
_	moving to on-line services, changing location
	Large Scale Public Events
	Local implementation of National Strategy/Plans/Legislation
	Strategic directive and intent, including those developed at Regional Partnership
	Boards and Public Services Board, which impact on a public bodies functions
\square	Medium to long term plans (for example, corporate plans, development plans,
_	service delivery and improvement plans)
	Setting objectives (for example, well-being objectives, equality objectives, Welsh
	language strategy)
	Major procurement and commissioning decisions
	Decisions that affect the ability (including external partners) to offer Welsh language
opport	tunities and services
	Other

(b) Please name and fully <u>describe</u> initiative here:

The Council as landlord is required to bring its homes up to the Welsh Government's Welsh Housing Quality Standard (WHQS) as per the Housing (Wales) Act 2014. The WHQS contains six main themes including good state of repair; safe and secure; adequately heated, fuel efficient and well insulated, up to date kitchens and bathrooms; located in safe and attractive environments and suit the specific requirements of the household. The WHQS was introduced in 2002, became a legal requirement in 2014 and has a deadline by the end of December 2021. Compliance figures required by Welsh Government are reported as of the 31st March 2022.

Service Improvement and Finance Scrutiny Performance Panel have periodically requested an update. The purpose of the report for Service Improvement and Finance Scrutiny Performance Panel is to set out how the Council has reached WHQS compliance and highlight the contribution Welsh Government has made financially, the major contribution the Council has made and the positive impact the programme has had on tenants, the quality of council homes in Swansea, how it has supported continued employment within the Council and the local economy.

Q2 What is the potential impact on the following: the impacts below could be positive (+) or negative (-)



Q3 What involvement has taken place/will you undertake e.g. engagement/consultation/co-productive approaches? Please provide details below – either of your activities or your reasons for not undertaking involvement

The report to Service Improvement and Finance Scrutiny Performance Panel sets out the number of homes which are compliant with the WHQS. Improvements carried out to council houses to ensure they meet the WHQS are undertaken via the Housing capital and revenue programme and consultation is carried out to all householders affected by the schemes via the Council's Major Works Agreement. Any individual needs will have been accounted for as part of the scheme preparation and in the delivery stages. Statutory Consultation via the Planning Process will have been carried out for any schemes requiring planning consent.

Q4 Have you considered the Well-being of Future Generations Act (Wales) 2015 in the development of this initiative:

a) Overall does the initiative support our Corporate Plan's Well-being Objectives when considered together?

Yes 🖂 🛛 No 🗌

I	 Does the in national we Yes 	ell-being		ntribution to each of the seven
c) Does the initiative apply each of the five ways of working? Yes \square No \square			ays of working?	
(•	uture gen	neet the needs of the perations to meet their one to meet their of No 🗌	resent without compromising the own needs?
Q5		cio-econo	mic, environmental, cult	(Consider the following impacts – ural, legal, financial, political, media,
	High ris	sk	Medium risk	Low risk
Q6	Will this in service?	itiative ha	ve an impact (howeve	minor) on any other Council
	🖂 Yes	🗌 No	o If yes, please pro	ovide details below
	and contribut	tion by oth /ays, Plani	er council services inclu	stment programmes requires the input ding, Building Services, Finance, , Commercial Services and
Q7	Will this in website?	itiative re	sult in any changes ne	eded to the external or internal
	🖂 Yes	🗌 No	o If yes, please pro	ovide details below
			website contain updates Government to support	on the WHQS, levels of compliance improvements
any orga (You if this the o	nmunities whe other key de anisation? a may need to a is proposal will a organisation is a	en consid cisions af liscuss this affect certai making. Foi	fecting similar groups/ with your Service Head or n groups/ communities mo	oosal on people and/or lentified within the screening and service users made by the Cabinet Member to consider more widely re adversely because of other decisions /poverty, withdrawal of multiple services , disabled people, older people, single

parents (who are mainly women), etc.)

The WHQS programme has supported the Wellbeing of Future Generations (Wales) Act 2015 and will continue to make a significant contribution to the 7 well-being goals. The safety improvements, thermal efficiencies and improved facilities within the home as well

as the enhancements to the wider environment has ensured there is an ongoing positive impact for people and communities in Swansea.

Overall the WHQS requires council houses to be well maintained and the investment has contributed towards the local economy through the Council's in-house apprenticeship programme and the Beyond Bricks and Mortar initiative which targets those who are hard to reach providing them with training and employment opportunities.

Outcome of Screening

Q9 Please describe the outcome of your screening using the headings below:

- Summary of impacts identified and mitigation needed (Q2)
- Summary of involvement (Q3)
- WFG considerations (Q4)
- Any risks identified (Q5)
- Cumulative impact (Q7)

(NB: This summary paragraph should be used in the 'Integrated Assessment Implications' section of corporate report)

The Council is subject to the Equality Act (Public Sector Equality Duty and the socioeconomic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.
- Deliver better outcomes for those people who experience socio-economic disadvantage.
- Consider opportunities for people to use the Welsh language
- Treat the Welsh language no less favourably than English.
- Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.

Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.

An IIA Screening Form has been completed and a full IIA report is not required. Reaching and maintaining the Welsh Housing Quality Standard for the Council's housing is an example of the 5 Ways of Working promoted by the Wellbeing of Future Generations (Wales) Act 2015 and will contribute towards the 7 well-being goals. The planned programme of repairs set out in this report is about early intervention which will secure social housing for the long term and will benefit future generations. Reaching and maintaining the standard has reduced carbon emissions, increased efficiency and supported employment and the local economy. Future investment will be subject to consultation with those individuals affected via the Council's Major Works Agreement and all schemes needing planning consent will be subject to normal planning procedures and the council's IIA process. Any individual requirement will be taken into account during the scheme liaison process.

Reaching WHQS compliance will secure social housing for the long term, making homes healthier and more efficient places to live.

Full IIA to be completed

☐ Do not complete IIA – please ensure you have provided the relevant information above to support this outcome

NB: Please email this completed form to the Access to Services Team for agreement before obtaining approval from your Head of Service. Head of Service approval is only required via email.

Screening completed by:
Name: Dave Bratley
Job title: Housing Asset Manager
Date: 18/10/2022
Approval by Head of Service:
Name: Carol Morgan
Position: Head of Housing and Public Health
Date: 19/10/2022

Please return the completed form to accesstoservices@swansea.gov.uk