



Report of the Cabinet Member for Homes & Energy

Council - 26 September 2019

Progress Towards Meeting the Welsh Housing Quality Standard

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| Purpose: | The report provides a progress update to Council on achieving the Welsh Housing Quality Standard on council owned properties up to 31 st March 2019. |
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1. Introduction

- 1.1 The Council has a statutory obligation to bring its council homes up to the Welsh Housing Quality Standard (WHQS) by the end of December 2020. The WHQS was introduced by the Welsh Government and the standard became a legal requirement following the implementation of the Housing Act (Wales) 2014. In achieving the standard, it is estimated £498m will have been invested in the housing stock.
- 1.2 The investment has delivered significant positive benefits to the local economy, tenants residing at improved properties and the wider community by providing targeted recruitment and training opportunities.
- 1.3 The purpose of this report is to provide an update on a recently completed house condition survey and current levels of WHQS compliance measured in accordance with Welsh Government guidance.

2. Survey and Data Management

- 2.1 In 2018, Savills were commissioned to carry out a condition survey to a representative sample of the Council's housing stock for the purposes of identifying levels of WHQS compliance and informing financial investment needs to maintain the stock over the medium and long term.
- 2.2 Savills are an independent organisation specialising in condition surveys for landlords with a large portfolio of properties. The survey consisted of a sample survey to 11% of properties ensuring this reflected the housing stock as a whole and which avoided previously surveyed properties. On completion the survey results were cloned across the remaining stock i.e. results were replicated across the remainder of the housing stock which matched the surveyed properties.

3. Findings

- 3.1 In their findings, Savills highlighted that they have undertaken surveys for Swansea Council in 2002, 2005, 2012 and 2018 and feel familiar with its Council housing stock. Overall, their findings were positive and reflect the significant improvement programmes delivered to homes as well as the positive impact of the responsive maintenance and cyclical servicing and maintenance.
- 3.2 Major improvement programmes have been the main focus for reaching WHQS compliance, and this approach provides long term repair solutions as well as improvements to living conditions. Savills confirmed the Council has already delivered programmes of work to the majority of key building components such as roofs, walls, boilers and electrical wiring, all of which have high levels of compliance.
- 3.3 As part of the updating process, it has also become apparent that the 2018 survey data shows some building components yet to be improved and previously expected to require renewal by 2020, now have revised renewal dates post 2020. In the main, extended failure dates are only by short periods of up to 5 years.
- 3.4 Predicted renewal dates have been moved back due to the impact of the ongoing investment in responsive repairs and cyclical servicing and maintenance. These activities deliver £13m of repairs and checks each year resulting in many components either continuing to perform as intended or being replaced or repaired making them compliant with the WHQS.

4. Measuring WHQS Compliance

- 4.1 WHQS compliance is achieved when building components across the housing stock are judged to be suitable, in reasonable condition and meeting the specific requirements set out in the WHQS. Levels of compliance are determined by drawing on information from a range of sources; the main sources being house condition surveys undertaken by an independent specialist as well as completed works certificates confirming when major repairs and improvements are complete.

- 4.2 As part of the measurement process, the WHQS guidance document permits the use of what is termed 'Acceptable Fail'. Landlords are able to apply acceptable fails to building components which are considered to be non-compliant but where landlords are unable to undertake repairs or improvements due to one of the following four reasons:
- i.) Cost of Remedy
 - ii.) Resident Choice
 - iii.) Physical Constraint
 - iv.) Timing of Remedy
- 4.3 The Council records and applies acceptable fails to building components when preparing and delivering repair schemes and reports these annually as part of its WHQS compliance returns to the Welsh Government.
- 4.4 Acceptable fails are expected to always be present in WHQS compliance figures primarily due to the personal circumstances of individuals who for a variety of reasons are unable to proceed with repairs and improvements taking place to their home.
- 4.5 When classing components as acceptable fail, properties continue to be maintained and managed through the Council's responsive repairs service and its servicing activities to ensure tenants remain safe and secure in their homes.

5. WHQS Compliance Levels

- 5.1 To help assess progress and provide a guide to overall delivery, approximately 77% of the value of the WHQS programme of £498m had been delivered by the end of financial year 2018/19. The remaining work has been programmed for completion throughout 2019/20 and 2020/21.
- 5.2 Compliance is measured by Welsh Government on an elemental basis. Some elements of work such as gardens and other environmental improvements have been planned towards the end of the programme to enable prioritisation and completion of key housing repair components first.
- 5.3 As a consequence, the level of fully compliant properties does not fully reflect the current level of progress and overall delivery.
- 5.4 At the end of the financial year 2018/19, the total number of WHQS compliant properties is now 5,415, an increase of 2,000 from last year's total of 3,415.
- 5.5 Compliance is measured by Welsh Government on an elemental basis. This does however mean there are properties where, for example, 9 out of the 10 measured elements are complete, but these for the time being remain classed as non-compliant.

- 5.6 The Housing Capital Programme will bring the remaining 8,110 properties into compliance in accordance with Welsh Government guidance by 31st December 2020.
- 5.7 A number of wind and weatherproofing projects to upgrade the external fabric of buildings have been brought forward in this year's programme to help accelerate compliance.
- 5.8 Levels of compliance for individual elements, which provides a better indication of how the capital programme is improving homes, are contained in the following table:

| WHQS Element | Properties Fully Compliant | Properties with an Acceptable Fail |
|---------------------|-----------------------------------|---|
| Roofing | 13,209 | 316 |
| Windows | 13,523 | 2 |
| Doors | 13,523 | 2 |
| Kitchens | 9,720 | 3,805 |
| Bathrooms | 8,430 | 5,095 |
| Heating Systems | 13,507 | 18 |
| Energy Rating | 8,791 | 4,734 |
| Electrical Systems | 13,321 | 204 |
| Smoke Alarms | 13,523 | 2 |
| Gardens | 7,818 | 5,707 |

6. Beyond Bricks & Mortar

- 6.1 The WHQS project has also helped to deliver training and other social benefits to the local economy as part of programme delivery.
- 6.2 The following training opportunities have been provided on 61 projects procured via private external contractors since 2010:
- 6082 person weeks of targeted recruitment and training for unemployed and disadvantaged persons, into construction related training
 - 1927 weeks training for new apprentices
 - 126 opportunities for placements, jobs, training and apprenticeships
- 6.3 WHQS has helped to develop and increase Building Services ambitious in-house trade and technical training programme. Over the past decade, 12 trade apprenticeship places have been created each year and 3 technical trainees.
- 6.4 Since the beginning of the WHQS programme, 224 craft apprentices have completed formal training and contributed to the capital programme.
- 6.5 A number of local communities have benefited from work external contractors have undertaken at no cost, linked to the Beyond Bricks & Mortar initiative. Work typically undertaken has been replacement kitchen, bathroom and decorative works in community facilities.

7. Conclusion

- 7.1 Savills have undertaken an independent assessment of the condition of the Council's housing stock and provided information that informs WHQS compliance.
- 7.2 The 2018 results build on previously undertaken surveys which helps provide a more accurate picture.
- 7.3 When measuring WHQS compliance, Welsh Government guidance recognises circumstances where the Council is unable to treat or improve building components.
- 7.4 At the end of financial year 2018/19, 77% of the total £498m capital investment required to meet WHQS had been delivered.
- 7.5 Reflecting significant ongoing investment, compliance levels for individual elements have increased and so has overall property compliance.
- 7.6 The planned Housing Capital Programme will continue to increase compliance up to the WHQS deadline.

8. Equality and Engagement Implications

- 8.1 The Council is subject to the Public Sector Equality Duty (Wales) 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 Act.
 - 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.

The Equality Impact Assessment process ensures that we have paid due regard to the above.

- 8.2 Tenants and leaseholders have been engaged as part of the Council's Tenant Participation Strategy.
- 8.3 An EIA screening has been undertaken and there are no equality implications as it reports on a recent stock survey and the current level of WHQS compliance. Specific equality issues are met at the point of delivery of WHQS improvement programmes.

9. Legal implications

- 9.1 Meeting WHQS by 2020 is a statutory duty under the Housing (Wales) Act 2014. Welsh Government has a strict regime of monitoring programme progress on a quarterly and annual basis, to ensure compliance.

- 9.2 If the Authority fails to meet the December 2020 deadline, Welsh Government can impose sanctions which include intervention or a direction as set out in the Housing (Wales) Act 2014.
- 9.3 Any powers and works will be carried out in line with the Well-being of Future Generations Act (Wales) 2015.
- 9.4 The WHQS programme contributes to well-being objectives by creating improved, energy efficient, sustainable housing which leads to improved public health and more prosperous communities.
- 9.5 Works required to meet the requirements of the programme are procured in accordance with the Council's Contact Procurement Rules and the Public Contracts Regulations 2015.

10. Financial Implications

- 10.1 There are no financial implications associated with this report. All costs to meet WHQS were included in the Housing 4 Year Capital Programme, approved by Council in February 2019.

Background Papers: None

Appendices: EIA Screening Assessment