



CAERPHILLY HOMES TASK GROUP – 15TH FEBRUARY 2018

SUBJECT: WHQS – ACCEPTABLE FAILS/PREVIOUSLY ACHIEVED UPDATE

REPORT BY: INTERIM CHIEF EXECUTIVE

1. PURPOSE OF REPORT

- 1.1 To provide members with information on the application and volume of Welsh Housing Quality Standard (WHQS) elements classified as “Acceptable Fails” or “Previously Achieved”.

2. SUMMARY

- 2.1 The WHQS is intended to ensure that all local authority and housing association homes are improved and maintained to achieve specified standards.
- 2.2 The WHQS guidance document also recognises that it may not be possible to bring all elements within a property up to the required standard. Such elements can be recorded as “acceptable fails”.
- 2.3 Whilst the Council’s main WHQS programme commenced following the ballot on housing stock transfer in 2012, a number of properties benefitted from improvements prior to this date which met the standard. In addition, elements have also been renewed outside of the main WHQS programme by our Housing Repairs Operations team, either as a response repair or when a property became void. Any elements which met the standard separately to the main programme, therefore, are classed as “previously achieved”, and recorded as being completed.
- 2.4 This report provides members with clarification on the Council’s application of previously achieved and acceptable fail elements and the impact they are having on the programme.

3. LINKS TO STRATEGY

- 3.1 The delivery of the Welsh Housing Quality Standard (WHQS) programme is coterminous with the aims of the Wellbeing of Future Generations (Wales) Act 2015 which requires public bodies to work towards a shared vision comprising 7 goals and adopt 5 “Ways of Working”. The 7 goals and the 5 Ways of Working will underpin the delivery of the programme and include planning and acting for the long term, integration, involvement, collaboration and prevention.
- 3.2 The Welsh Housing Quality Standard (WHQS) is intended to ensure that all local authority and housing association homes are improved and maintained to achieve specified standards. It is a Welsh Government requirement that the WHQS is achieved by 2020. The WHQS identifies 7 specific aims (Welsh Assembly) Government – Revised Guidance for Social Landlords – July 2008.

- 3.3 The Caerphilly Delivers - Single Integrated Plan 2013-2017 had a priority to “improve standards of housing and communities, giving appropriate access to services across the County Borough”.
- 3.4 Caerphilly County Borough Council 2013/17 Corporate Priorities included: CP7 - Invest in our Council homes and their communities to transform lives.
- 3.5 Caerphilly County Borough Council’s Well-being Objectives in 2017/18 included: WBO5 – Investment in Council homes to transform lives and communities.

4. THE REPORT

- 4.1 The Council has a housing stock of 10,805 properties and is investing approximately £220m in bringing homes up to the Welsh Housing Quality Standard by 2020.
- 4.2 The delivery of the programme is following the WHQS revised guidance document (2008) issued by Welsh Government. Whilst the aim of WG is to bring all social homes in Wales up to the specified standard, the guidance document recognises that this may not be possible for all elements of work in all properties.

Acceptable Fails

- 4.3 Section 8 assessment of the guidance document sets out the use of “acceptable fail” criteria for individual elements of work within the standard. Furthermore, it states that an “acceptable fail” is only possible on individual elements and not the dwelling as a whole.
- 4.4 An acceptable fail may only be used in one or a combination of the following:-
- a) Cost of remedy
 - b) Timing of remedy
 - c) Residents choice
 - d) Physical constraint

Cost and Timing of Remedy

- 4.5 The landlord may deem it necessary to consider the cost effectiveness of some works such as undertaking structural changes to the property in order to enlarge living spaces/kitchen. Due to the extent of work required, consideration may also be given to delaying the work for a more suitable time to undertake major improvements, e.g. when the property becomes void. The tenant’s circumstances will also be taken into account, e.g. where a tenant has significant health issues, the work may be delayed by mutual agreement.

Residents Choice

- 4.6 From the outset of the programme, tenant’s choice was a key factor for its successful delivery. Therefore, as part of this choice, if a tenant did not wish to have an element of work undertaken which did not compromise their health and safety, this would be recorded as an acceptable fail. In line with the guidance document, any element of work not carried out due to resident’s choice, would be addressed if/when the property became void.
- 4.7 No access is also being treated as an acceptable fail due to resident’s choice. In the process of arranging for the WHQS works, tenants will receive a combination of various officer visits, e.g. TLO, Building Surveyor, Heating Surveyor, Electrical Surveyor, as well as letters and text messages.

- 4.8 Where a tenant fails to provide access after two formal letters have been issued, a final (third) letter advises them that their property will be removed from the programme. The exception to this is where there may be health and safety concerns, e.g. electrical wiring. In such circumstances enforcement action will be taken by the relevant housing office in order to ensure compliance with the required standard.

Physical Constraint

- 4.9 Due to the age, layout and location of some of the Council's housing stock, the standard may be unable to be fully met due to physical constraints e.g. the kitchen may be too small to achieve the required storage capacity, a garden may not lend itself to providing the required level amenity area due to its topography.
- 4.10 The Council is required to report on acceptable fails to WG on an annual basis and also submit its WHQS Compliance Policy which is reviewed on an annual basis. The Compliance Policy sets out how Caerphilly Homes is interpreting and applying the WHQS standard to ensure the principles of the guidance document are being adhered to.
- 4.11 It needs to be acknowledged, however, that whilst an element may be classified as an acceptable fail, a property may still have benefitted from other component improvements which were completed to the required standard. Also, even though an element may be classified as an acceptable fail, partial works or a complete renewal may have been carried out, but the standard may not have been achievable, e.g. a property may have benefitted from a complete new kitchen, but it may not achieve the required storage capacity.
- 4.12 Appendix 1 provides a detailed breakdown of the number of acceptable fails, recorded by elements and category, since the commencement of the programme. Clearly the situation is constantly changing as we progress with the delivery of the programme and also as a result of tenants' circumstances changing and properties becoming void. The number of acceptable fails recorded for external works is low at this time, as these works are currently behind programme as reported to CHTG previously.

Previously Achieved

- 4.13 Prior to the commencement of the main WHQS programme in 2014 a significant number of improvements were undertaken to properties which were to the WHQS standard by the Planned Maintenance scheme. Such works included bathrooms, kitchens, heating, electrical rewires, roofing, doors and windows, etc. In addition, individual elements/components are being renewed outside of the main programme by HRO either as a response repair or when the property becomes void.
- 4.14 These individual elements/components are being reassessed as part of our main programme, and this has determined that some meet the standard with no work being required. These elements are recorded as previously achieved.
- 4.15 There are also instances where an element/component may fall short of meeting the standard, but this can be rectified by carrying out partial works, e.g. rather than fit a full heating system, a boiler only may be required. Also a kitchen may be in good condition but may fall short of meeting the standard due to the lack of storage capacity. This may be overcome by fitting the required number of additional kitchen units. Where such works are undertaken, these are recorded as completed properties and not "previously achieved".
- 4.16 Appendix 2 provides information on the numbers and types of work items which have been classed as "previously achieved", which is based on properties surveyed to date and information currently recorded within our asset management database.

5. WELL-BEING OF FUTURE GENERATIONS

5.1 The delivery of the WHQS improvement programme is coterminous with the aims of the Wellbeing of Future Generations (Wales) act 2015, in particular the 5 ways of working:-

- **Long Term:** the report includes continued investment and performance to achieve WHQS by 2020. This investment provides long term improvements to the property, community and to the tenants' health and wellbeing.
- **Integration:** The programme looks to integrate property and environmental improvements that will benefit and transform lives and communities throughout the county borough. It further brings together a variety of stakeholders to deliver long term sustainable benefits for lives and communities.
- **Involvement:** Tenants and local residents are being consulted on the proposed property improvements and environmental works along with various initiatives that are part of the WHQS programme delivery.
- **Collaboration:** The programme delivery is focused on internal collaboration, wider partnership arrangements with suppliers and contractors, joint working with the community and various other groups. The delivery of community benefits and tenant engagement by all involved with the WHQS programme is a key focus and is clearly demonstrable within its delivery.
- **Prevention:** The works to improve lives and communities will help tackle local unemployment. It will further improve the look and feel of the environment and help prevent anti-social behaviour. Improving standards and quality, will aid future programmed maintenance and potentially reduce reactive maintenance schedules.

6. EQUALITIES IMPLICATIONS

6.1 An Equalities Impact Assessment is not required as the report is for information.

7. FINANCIAL IMPLICATIONS

- 7.1 The Capital Programme for 2016/17 was £38.6M. The outturn capital expenditure was £31.4M resulting in an under-spend of approximately £7M. The under-spend is being utilised to fund the future years programme. The Capital programme for 2017/18 is anticipated to reach £35m which is within the budget originally accounted for.
- 7.2 Projected contract costs are regularly reviewed to better inform our budgetary forecasting and to update the Business Plan. This includes assumptions made to take account of acceptable fails and previously achieved elements identified by surveyors or projected based on anticipated numbers using current averages.

8. PERSONNEL IMPLICATIONS

- 8.1 The timetable pressure is increasing and there has to be the capacity within the staff resources to cope with the volume of work. Staff movement and recruitment difficulties remain a risk to the programme and have continued to be an issue during 2017/18.
- 8.2 Continued close management and monitoring of performance of the programme is essential to ensure that its delivery is not compromised in any way. The workload for the in-house team is increasing due to the sheltered housing schemes commencing and there is the possibility of them undertaking some of the work previously planned for Contract Services. Additional resources will be required to ensure performance in achieving the objective is maintained.

9. CONSULTATIONS

9.1 All responses from consultations have been incorporated in the report.

10. RECOMMENDATIONS

10.1 Members are asked to note the content of the report.

11. REASONS FOR THE RECOMMENDATIONS

11.1 To advise Members of the application and volume of WHQS elements classified as “acceptable fails” or “previously achieved”.

12. STATUTORY POWER

12.1 Housing Acts 1985, 1996, 2004, Local Government Measures 2009 and the Well-being of Future Generations (Wales) Act 2015.

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Background Papers:
Welsh Housing Quality Standard (WHQS)
WHQS Compliance Policy

Appendices:
Appendix 1 – Acceptable Fails Data
Appendix 2 – Previously Achieved Data