

WALES & WEST HOUSING GROUP POLICY

WHQS23 COMPLIANCE POLICY

1. Introduction

The Welsh Housing Quality Standard (WHQS) was first introduced by the Welsh Government (WG) in 2002 with a vision to ensure that 'all households in Wales have the opportunity to live in good quality dwellings'. The Standard was updated in 2008 to clarify its interpretation and WG gave a commitment that all social housing would achieve WHQS as a minimum standard by 2012. Further WG guidance after 2012 extended the deadline for compliance until 2020 and sector wide compliance was confirmed shortly thereafter. At this juncture the Standard was reviewed and revised following consultation with a variety of stakeholders.

In line with the UK Government commitment to reach net zero carbon by 2050, WG's revised WHQS 2023 sets out a strategic approach to achieving a net zero carbon target, whilst achieving significant progress by 2030 via interim thermal performance targets. However, the Standard also recognises that a socially just transition away from fossil fuel is required, so actions taken to decarbonise do not undermine approaches to tackle fuel poverty and deliver clear economic and social benefits.

In addition to introducing decarbonisation requirements, the Standard substantially increases requirements in relation to other key areas, such as provision of floor coverings, additional storage and the introduction of biodiversity considerations.

WHQS 2023 applies to homes owned by Local Authorities and Registered Social Landlords (RSLs) and comprises eight elements to ensure that residents live in a home that:

1. Is in a good state of repair,
2. Is safe and secure,
3. Is affordable to heat and has minimal environmental impact,
4. Has an up-to-date kitchen and utility area,
5. Has an up-to-date bathroom,
6. Is comfortable and promotes wellbeing,
7. Has a suitable garden, and
8. Has an attractive outside space.

A home will meet the Standard when all relevant elements are achieved. It is recognised that some elements of the Standard are not applicable to all homes. It is also recognised that not all homes will be able to achieve some elements for a variety of reasons.

2. Aim of the policy

This policy sets out how Wales & West Housing Group (WWHG) will interpret and manage compliance with WHQS 2023. It also gives detail on how the achievement of compliance will be integrated into the Association's wider approach to asset management and tailoring services to suit residents' needs and fulfils the WG requirement that each social landlord in Wales maintains a

policy detailing their approach to WHQS 2023. This Policy has the intention of clarifying the following issues:

- Approach to WHQS 2023
- Temporary Fail and Conditional Pass categories
- Software and data management
- Resident engagement approach
- Independent compliance verification and statements for residents
- Approach to non-measured elements
- Redevelopment, demolition and carbon
- Approach to community benefits

Details on each of these issues are set out below.

3. Approach to WHQS 2023

The WHQS 2023 Compliance Policy operates within the wider WWHG Asset Management Strategy, which sets out the WWHG approach to judging asset performance, making asset investment decisions and prioritising programmes of refurbishment work. The Asset Management Strategy has the stated aim of enabling WWH:

To consistently make the right investment decisions at the right time, so that homes and schemes are in demand, well maintained and attractive.

This aim will be used by WWHG to ensure that the outcomes for the strategy remain clearly in focus as staff implement it in practice. A number of specific aspirations are summed up in the aim, which are expanded upon below:

To consistently make...

The aim is to have a consistent, stable, practical and useable approach, which takes into account differing external factors and situations and is effective in the long term.

...the right investment decisions...

The right decisions consider all the wider factors, including long term suitability, environmental impact and resident affordability, safety and comfort.

...at the right time...

The right timing takes into account when it is needed, when resource is available and timely forecasting.

...so that homes and schemes are in demand...

Where there is not the demand for homes, investment options will either restore the demand or take action to remodel, redevelop or remove the asset from the portfolio.

...well maintained and attractive.

Homes and environments may not be perfect but will be well maintained and attractive such that they meet residents' reasonable expectations.

To achieve the aim outlined above, there are several themes which characterise the approach the Group will take in complying with WHQS 2023, which are outlined below:

- The Group's approach will be to focus on achieving the desired outcomes and underlying intent of the WHQS 2023, rather than seeking to fulfil each detail, or the specific wording of the Standard. This approach recognises that wordings and nuances of detail will change as the Standard is honed and evolved in its first years, whereas the underlying intent will remain unchanged. This point is acknowledged in the WG guidance to the Standard. Taking this approach will prevent behaviour aimed at just following the letter of the law and reinforce the Group's overall intent of 'doing the right thing' for residents and homes over the long term, thereby achieving the purpose of the Standard.
- In a similar way, the Group will take the approach of tailoring requirements and outcomes to residents' needs at the point of service delivery, such as designing installations in consultation with residents wherever possible so that outcomes achieve what really matters to them, rather than just adhering to a standard.
- The WHQS 2023 sets exceptionally ambitious expectations in relation to fabric improvement to homes, which are beyond the means of the wider sector to achieve without appropriate funding solutions being made available in conjunction with WG. The Group will take the approach of setting upgrade programmes which are within its means and resources to deliver to meet the Standard as far as is reasonably practicable, regularly reviewing these programmes as funding solutions develop.
- In order to achieve many of the core cyclical requirements of the Standard, the Group will utilise directly employed technical staff, particularly in relation to domestic gas and electrical safety checking. This will ensure that control of both timing and quality of service delivery can be understood in depth and be effectively controlled. Where external resources are used for the delivery of programmes of work, the Group will take an approach of encouraging the use of small to medium enterprises with core operations in Wales to maximise employment and economic benefits in the Welsh economy.
- As part of the Group's ongoing review of asset performance, homes which are identified as unsuitable as long-term social housing will not automatically be included in long-term upgrade programmes. Such homes will typically be sold or improved to WHQS 2023 as part of a substantial remodelling or redevelopment and only included in upgrade programmes where this facilitates works on adjacent homes. The Group actively purchases homes on its estates and schemes which were previously sold under 'right to buy' arrangements. Such homes will be included within improvement programmes as part of the scheme they form part of.

To achieve the aim of the Asset Management Strategy outlined above, there are several themes which characterise the approach the Group will take in complying with specific decarbonisation elements of WHQS 2023, which are outlined below:

- The Group’s approach will be to focus on achieving the desired outcomes and underlying intent of the decarbonisation elements of WHQS 2023, rather than seeking to merely fulfil the interim target of SAP 75 in the Standard. Taking this approach will ensure the Group focuses on making investment decisions that apply the most appropriate holistic solution to each home to reduce space heating demand. This in turn will provide maximum benefit for residents and the best carbon emission reductions for the best financial value, rather than tailoring improvements to achieve a set, interim SAP target, which in many cases would only be a small improvement upon existing performance. In addition, the evolving nature of the SAP calculation methodology means that the performance scores for homes will regularly change, making the use of the SAP 75 target problematic.
- A ‘fabric first’ approach to decarbonising homes will be taken where large scale improvement and investment is required. This approach aims to increase the thermal performance of the home via effective insulation as the first priority, so that the least amount of energy is required to maintain comfortable living temperatures. Not only does this minimise carbon emissions, it also decreases the energy required for heating, minimising residents’ energy bills and minimising the energy load on the national grid.
- Where homes require large scale improvements, the Group will typically undertake upgrade work in a single refurbishment, rather than via several separate upgrades over several years. This approach will ensure that improvements are well designed and delivered as a cohesive whole, minimising repetitive overhead costs and minimising overall disruption for residents.
- In achieving decarbonisation over a number of years, the Group will seek to minimise resident fuel poverty by balancing the requirement to move away from gas boilers, with the reality that gas fired heating is the cheapest fuel for residents. It is recognised that this will change over time and will require ongoing monitoring and liaison with residents where refurbishments are undertaken.

The WWHG approach to each of the eight elements of the Standard are shown in detail in ‘Appendix A’, attached to this policy.

4. Temporary Fail and Conditional Pass categories

WHQS 2023 recognises that not all homes will be able to achieve the Standard and that some elements of the Standard are not applicable to some homes. To account for this, the Standard includes Conditional Pass and Temporary Fail categories, acknowledging that these may need to be expanded as the Standard evolves.

The Group will interpret the categories as outlined in the Standard. Temporary Fail will be used where WWHG are unable to make necessary changes to a home due to circumstances beyond their control, such as resident refusal or delay and where works are programmed over the next few years. When homes are relet, any Temporary Fails will be reviewed and rectified as appropriate. Conditional Pass will be used where work to enable compliance cannot be reasonably

undertaken due to a constraint, such as the physical constraints of the home, heritage constraints or works being cost prohibitive. The Standard sets out which of the categories are allowable for each element.

A Conditional Pass due to improvement being Cost Prohibitive are defined in the Standard as those measures that do not create a sufficient improvement for residents, measures that are not cost effective unless done as part of a later programme, or where funding is limited to undertake work. Key elements where this category will apply are decarbonisation elements 3a/3c, and the external, lockable storage element 8a.

5. Software and data management

The Group's overall approach to collecting and managing asset and stock condition data is set out in the Asset Management Strategy. Although the majority of asset data and maintenance service delivery data is stored and managed in Microsoft Dynamics 365, WWHG currently stores and maintains stock condition data in a specialist Codeman software product.

Development work is ongoing to migrate this stock condition data and functionality from Codeman into Microsoft Dynamics 365 prior to the completion of the Group's Whole Stock Assessment (WSA) in early 2027. Base data for the calculation of WHQS 2023 compliance will be collated in the Excel spreadsheet format supplied by WG and submitted to WG as an annual return.

6. Resident involvement approach

The Group's overall approach to resident involvement is set out in the Resident Involvement Strategy. In relation to upgrade programmes to achieve the Standard, WWHG will provide details to residents via the website and In Touch magazine as well as engaging in good time with those residents affected by upcoming work programmes.

From engaging with residents and understanding what matters to them, it is clear that residents particularly want to know details about works that will directly affect them. This includes information on timing, duration, details of disturbance and support with realising the benefits of any upgrades, such as the use of new technology and controls. WWHG will achieve this via early consultation on work programmes and by continuing to engage with residents during works and following their completion. Engagement will include both individual and communal discussions as suits the scheme and residents' preferences. Wherever possible choice of finishes and colours will be offered and internal layouts, positions and pipe or cable runs designed in consultation with the resident who will use the installation.

The Resident Participation Steering Group, comprised of members from across Wales will continue to act as a resident body guiding how consultation and engagement methodology is undertaken, particularly as decarbonisation programmes are developed.

Resident satisfaction will be used as a rolling performance measure and feedback actively sought to build learning from completed projects into future programmes.

7. Independent compliance verification and statements for residents

WWHG use both a directly employed and an externally engaged internal audit service, which will be used to verify and review WHQS 2023 compliance information. In addition, the Group will explore the feasibility of working with other RSLs to provide verification within the sector. Initial verification checks will be commenced in the first part of 2026 and will reoccur on a two year cycle.

The Group will continue to provide new residents with a WHQS Compliance Statement at the start of their tenancy, along with the Energy Performance Certificate for their home, as outlined in the Standard.

8. Approach to non-measured elements

A small number of the elements of the Standard are non-measurable and these are identified in the relevant headings in Appendix A, with an explanatory statement about the approach the Group is taking. Further detail is provided below on key elements:

Element 3d requires a Whole Stock Assessment (WSA) to be produced, comprising Target Energy Pathways (TEP) for each home setting out what improvement works are required to achieve the highest thermal performance reasonably possible for each home. WWHG will produce a WSA for submission to WG by the deadline of March 2027. Core data will be retained in Microsoft Dynamics with TEPs calculated by specialist software, SAVA. The data to compile TEPs in SAVA will come from existing stock data, with additional data gathering carried out by Group staff as gaps and verification needs develop. The Group will ensure data integrity by developing a single Microsoft Dynamics 365 asset data repository, with clear processes for data management. TEPs will be based on bringing homes to optimum thermal performance by 2050.

Element 8b requires that there be adequate, practical, maintainable and safe community space(s), and 8c requires biodiversity opportunities should be introduced by landlords who own or manage open green spaces. Communal spaces are provided and maintained at many schemes. The Group will liaise with residents on an ongoing basis to understand what matters to them in relation to the communal spaces in and around their homes.

Wherever possible, these spaces will be designed, developed and managed in liaison with residents to ensure they continue to meet resident need. As part of this liaison WWHG will develop a proactive approach to actively managing communal green spaces to encourage biodiversity, with resident involvement.

9. Redevelopment, demolition and carbon

The Group's approach to managing asset performance and identifying properties in need of remodelling or redevelopment is set out in the Asset Management Strategy. Where potential redevelopment opportunities are identified, WWH will undertake an options appraisal that explores all options for remodelling or redevelopment. Whilst the remodelling of existing structures, rather than redevelopment, can reduce the embodied carbon over the whole life of a building, in many instances it is impractical to remodel and achieve the necessary standards. Redevelopment of existing homes can offer an opportunity to provide high quality homes that fully meet WHQS 2023 and Welsh Development Quality Requirements (WDQR) standards.

Any proposal to remodel or redevelop will follow the WWHG Development Strategy, using a fabric first, non-fossil fuel approach to ensure energy use in the building and costs to residents are minimised. Should any demolition be necessary consideration is given to the recycling of material either on or off site. Where properties can practically be remodelled, a recognised methodology to evaluate embodied carbon will be applied and considered in any decision making.

10. Approach to community benefits

WWHG actively works with its supply partners to make positive difference to communities across Wales. WWHG employ dedicated staff to facilitate the delivery of community benefits in order to deliver added value through procurement. WWHG ask supply partners for reasonable and proportionate community benefits and have a proven track record in delivering community benefits.

Community benefits form part of the Group's major improvement programmes, and specific community benefit clauses set out the expectation that suppliers will need to commit to working with the Group to deliver community benefits.

In addition to donating staff time, materials and equipment some of supply partners make a financial contribution to WWHG 'Making a Difference Fund'. The fund supports not for profit organisations across Wales who can make a positive difference to WWHG residents and communities.

Delivery of Community benefits and impact are captured on an internal system. For development contracts that exceed £1m the 'Values Wales Measurement Tool' is completed and submitted to WG at the end of a scheme.

11. Policy review

The policy will be reviewed on an annual basis in line with WG guidance.

Appendix A – WWH Approach to WHQS 23 Compliance

Element of the Standard		WWH Interpretation of compliance
<u>Part 1. Homes must be in a good state of repair.</u>		
1a	Homes must be structurally stable and free from disrepair.	Homes are free from category 1 hazards as defined by the Housing Health & Safety Rating System (HHSRS)
1b	Homes must be free from damp.	Homes do not have any damp, mould or condensation identified by systematic survey and no reactively raised report of damp, mould or condensation which is unaddressed.
<u>Part 2. Homes must be safe and secure.</u>		
2a	External doors and windows must provide a reasonable level of physical security.	New installations will follow the latest Secured by Design Guidance and installations that followed SbD guidance at time of installation will be treated as compliant.
2b	Staircases and balustrades must be safe.	Staircases and balustrades will be appropriate and free from defects.
2c	Homes must have an adequate fire detection and alarm system installed and maintained to the appropriate British Standard.	Homes will have appropriate detection as outlined in the Standard, which is checked on a regular cycle as at change of tenancy.
2d	Homes must have appropriate means of escape in case of fire from the building to a place of safety outside the building, in accordance with building regulation requirements.	Homes will have appropriate means of escape as outlined in the Standard. Means of escape is checked on a regular fire risk assessment cycle and at change of tenancy. Where need is identified, a person-centred fire risk assessment will be undertaken.
2e	Gas, oil-fired or solid fuel burning combustion appliances and installations must be annually certified as safe by an appropriately qualified person.	Homes with gas, oil or solid fuel installations will be checked and certified annually and at change of tenancy. Records will be retained, and copies provided to the resident as outlined in the Standard.

2f	A carbon monoxide detector must be fitted in each room containing a fixed gas appliance, an oil-fired combustion appliance, a solid fuel burning combustion appliance or an associated flue.	Homes will have a carbon monoxide detector in each room where there is a gas or solid fuel appliance as appropriate. CO detectors are checked as part of annual gas, solid fuel and oil checks.
2g	Homes must have an electrical safety inspection undertaken by a qualified person at intervals of 5 years or less.	Homes will have an electrical safety inspection undertaken by a qualified person at intervals of 5 years or less, and at change of tenancy.
2h	All electrical equipment supplied by landlords in homes must be safe, comply with the current safety requirements for domestic electrical products and be tested annually.	Fitted electrical appliances owned by WWHG will be managed via regular electrical safety inspection. Any electrical equipment in residents' homes owned by WWHG will be subject to annual portable appliance safety checks. Where WWHG support residents with the sourcing of white goods or electrical equipment the items will be the responsibility of the resident.
2i	Common parts of flats and other multi-occupied residential buildings must have adequate means of warning and escape from fire in accordance with building regulations requirements.	Appropriate means of warning and escape from fire in communal areas will be provided when required, and in accordance with building regulation requirements.
2j	All buildings containing more than one dwelling (regardless of whether they also contain common parts) must have a current and up-to-date fire risk assessment.	A regular fire risk assessment cycle will be in place for all buildings containing more than one dwelling. Risk assessments will be annual for buildings with communal areas and every two years for buildings without communal areas (walk up flats).
<u>Part 3. Homes must be affordable to heat and have minimal environmental impact</u>		
3a	Heating systems must be reasonably economical to run and capable of heating the whole of the	Improvement works to enable homes to meet this standard will be guided by a 'target energy pathway' for each home. Work programmes will be created and implemented once suitable grant funding is in place.

	home to a comfortable level in normal weather conditions (minimum of SAP 92 – EPC A).	
3b	In the interim, all homes must meet a minimum standard of SAP 75 – EPC C.	Improvement works to enable homes to meet this standard will be guided by a ‘target energy pathway’ for each home. Work programmes will be created and implemented if sensible and practical to do so. There will be occasions where such work is not carried out as it would be more sensible to do the works in one upgrade, to meet objective 3a (which can only be done when suitable grant funding is in place).
3c	Carbon emissions from homes must be minimised (minimum of EIR 92).	Improvement works to enable homes to meet this standard will be guided by a ‘target energy pathway’ for each home. Work programmes will be created and implemented once suitable grant funding is in place.
3d	Landlords must carry out a Whole Stock Assessment and produce Target Energy Pathways for their homes.	A Whole Stock Assessment will be completed, including TEPs for each home as outlined in the Standard. Core data will be retained in Microsoft Dynamics with TEPs calculated by specialist software, SAVA. TEPs will be based on bringing homes to optimum thermal performance by 2050.
3e	Homes, and in particular kitchens and bathrooms, must have an adequate amount of ventilation.	Homes will have adequate ventilation as outlined in the Standard. Decarbonisation programmes will consider adequate ventilation as an integral part of upgrade works.
3f	Landlords must make arrangements for a smart meter to be installed in each home.	WWH will liaise with residents and provide clear information to enable them to have a smart meter installed by their utility supplier at the start of tenancy.
3g	Measures to improve water efficiency and alleviating water poverty must be installed when replacing fittings and fixed appliances.	WWH new build, refurbishment and maintenance work will comply with the water efficiency measures outlined in the Standard.

3h	Water butts to be installed when appropriate.	WWH will liaise with residents and provide water butts only if appropriate at the point of letting for each new tenancy. Suitability will be judged based on the appropriateness of the garden and the resident being able to appropriately use the water butt to minimise any legionella risk. Requests from existing residents will be managed in the same way. For communal gardens, consideration of water butts will form part of resident engagement and what matters conversations.
<u>Part 4 Homes must have an up-to-date kitchen and utility area</u>		
4a	Kitchens must be in good condition.	Kitchens will be programmed for renewal based on remaining life judgements from stock condition surveys. Kitchens over 16 years old will only be retained where in good condition.
4b	Kitchens must have adequate space for kitchen appliances.	Kitchens will provide space for appliances as outlined in the Standard. Where possible, kitchen layouts will be designed in liaison with the resident.
4c	Kitchens must be well organised and contain sufficient work surfaces.	Kitchens will be well organised and contain sufficient work surfaces as outlined in the Standard. Where possible, kitchen layouts will be designed in liaison with the resident.
4d	Homes must have sufficient general storage.	Kitchens as they are replaced will be well designed to provide adequate storage, and where possible, layouts will be designed in liaison with the resident. However, works will not be undertaken which alter the layout of the remainder of the home.
4e	Homes must have adequate space for local recycling requirements.	Kitchens as they are replaced will be designed to provide adequate space for recycling if possible, with residents responsible for managing their own recycling. Where possible, facilities will be designed in liaison with residents.
4f	Kitchens must have sufficient conveniently located power sockets.	Kitchens as they are replaced will include sufficient sockets for appliances as outlined in the Standard. At point of renewal 6 double sockets will be installed

		where space and layout allow. Where possible, kitchen layouts will be designed in liaison with the resident.
4g	Kitchens and utility areas must have suitable flooring.	Kitchens will have appropriate water-resistant nonslip flooring as outlined in the Standard.
4h	Homes must have adequate facilities for washing, drying and airing clothes.	Homes will have external drying lines, and either space, power and plumbing for a washing machine or a communal washing facilities. Where homes have airing cupboard space, this will be retained where possible. However, works will not be undertaken which alter the layout of the remainder of the home.
<u>Part 5. Homes must have an up-to-date bathroom</u>		
5a	Bathrooms and WC facilities must be in good condition.	Bathrooms will be programmed for renewal based on remaining life judgements from stock condition surveys. Bathrooms over 26 years old will only be retained where in good condition.
5b	Bathrooms and WC facilities should have suitable flooring.	Bathrooms and WC facilities will have appropriate water-resistant nonslip flooring as outlined in the Standard.
5c	Bathrooms must have a shower and a bath (or shower and sufficient space for the provision of a bath).	Homes will have a both a shower and bath or space for a bath, unless adapted to suit the needs of the resident, typically by the installation of a level access shower.
<u>Part 6. Homes must be comfortable and promote wellbeing</u>		
6a	Homes should have sufficient space for everyday living.	Homes will have sufficient space for daily living and sleeping as outlined in the Standard where possible. However, works will not be undertaken which alter the layout of the remainder of the home.

6b	At change of tenancy all habitable rooms (bedrooms and living rooms), staircases and landings located within the home should have suitable floor coverings.	Homes will have suitable floor coverings in habitable rooms, staircases and landings. Existing flooring will be reused where appropriate and new flooring gifted, as outlined in the Standard.
6c	Exposure to noise should be minimised.	Homes will contain reasonable and appropriate levels of sound insulation.
6d	As far as possible, homes should suit the specific requirements of the household, (not measured).	The suitability of the home will be considered in detail at tenancy commencement, as well as reactively as need arises during occupation, utilising Physical Adaptation Grant monies in appropriate circumstances.
6e	Disabled and older people's housing requirements must be planned for and met in accordance with the duty for reasonable adjustments, (not measured).	The suitability of the home will be considered in detail at tenancy commencement, as well as each time refurbishment work is undertaken. Adaptations will be undertaken to suit residents where reasonable and practical, utilising Physical Adaptation Grant monies in appropriate circumstances.
6f	Homes should be clearly identifiable and have definable boundaries.	Homes will have clear boundaries and will be clearly numbered and named as outlined in the Standard, to facilitate easy access by emergency services.
<u>Part 7. Homes must have a suitable garden</u>		
7a	There should be an external level space no smaller than 10m ² directly accessible from the home.	Homes will have an appropriate external space where practicable as outlined in the Standard.
7b	There should be paved access from the home to any garden gate.	Homes will have a suitable path from the property to the gate or curtilage as where practicable outlined in the Standard.

7c	There should be paved access from the home to the drying line if one is present.	Homes will have a suitable path from the property to the external drying facilities as outlined in the Standard.
7d	Outdoor space must be easy to maintain, and safe.	Homes will have gardens with clear boundaries, which are judged for suitability with the residents at the point of tenancy commencement, and at the point of issues being reactively raised with WWH.
<u>Part 8. Homes must have an attractive and practical outside space</u>		
8a	External lockable storage for cycles and equipment must be made available.	WWH will provide external storage where there is suitable space and resident demand. Where possible communal storage provision will be designed in liaison with residents to ensure it is suitable.
8b	There should be adequate, practical, maintainable and safe community space(s), (not measured).	WWH provide communal spaces where it is appropriate and there is resident demand. Where possible, provision will be designed in liaison with residents to ensure it is suitable.
8c	Biodiversity opportunities should be introduced by landlords who own or manage verges, parks, grounds and open green spaces. (not measured).	WWH will take a proactive approach to actively managing communal green spaces to encourage biodiversity.