

# Welsh Housing Quality Standard (WHQS) Compliance Policy Statement



## PART A: Interpretation of WHQS

### Taff will:

- ✓ Monitor decisions and guidance issued by Welsh Government that will impact upon Taff's interpretation and maintenance of the Welsh Housing Quality Standards, acting upon such changes as is reasonable and practicable to do so within the resources of the approved business plan.
- ✓ Include WHQS compliance within the Asset Management Strategy and delegate to the Executive Director responsibility for maintaining the strategy and its delivery.
- ✓ Maintain an up to date stock condition survey and database which informs an annually reviewed 30 year Business plan.
- ✓ Maintain a rolling 5 year work programme in line with the resources available in our business plan and budget which targets investment to meet legal obligations, maintain WHQS and sustain the financial viability and social purpose of the portfolio.
- ✓ Comply with primary and secondary elements of WHQS where it is reasonable & practical to do so and there is financial provision within the approved Business Plan. Where it is not possible to achieve this we will record an Acceptable Fail/Qualified Pass.
- ✓ Comply with legal repairing obligations and keep components in repair and free from category 1 hazards as defined by the Housing Health & Safety Rating System
- ✓ Take a reasonable and pragmatic approach to the interpretation of WHQS when arriving at cost estimates for the Business Plan.
- ✓ Replace components at the end of their useful and/or economic life span operating a just in time policy to maximise and wherever possible extend the useful life of existing components. When the application of our just in time policy results in a component falling short of WHQS but not causing a Category 1 Hazard; we will record a Qualified Pass for Timing of Remedy for that specific element and/or component.
- ✓ When components are replaced at the end of their useful and/or economic life span, Taff will take the opportunity to upgrade to meet both primary & secondary elements of the WHQS criteria. (Where it is reasonable & practical to do so and there is financial provision within the approved Business Plan.)
- ✓ Use the standard WHQS assessment check lists contained within the 2008 guidance or subsequent check lists issued by Welsh Government when assessing compliance
- ✓ Report WHQS compliance to Welsh Government on all properties purchased through Social Housing Grant (SHG)
- ✓ Report WHQS compliance using the most up-to-date format issued by Welsh Government.
- ✓ Record WHQS compliance for Primary, secondary and environmental elements in a specialist commercially available asset management IT system. This system will be used for monitoring and reporting. The system will include a full data audit trail and the business process and data will be subject to internal audit annually.
- ✓ Classify components as complying with WHQS with a Qualified Pass where they have not met elements of detailed technical design guidance but they do not cause a category 1 hazard under the Housing Health and Safety Rating System
- ✓ Incorporate sufficient storage into internal improvement designs where it is reasonable and practical to do so and maintain existing external storage areas where they form part of the originally constructed building
- ✓ Require Tenants to remove their own Garden Sheds, outbuildings, or any other garden structures which cause a category 1 Hazard or any other health and/or safety risk.

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## Taff will not:

- X Immediately replace components that don't comply with WHQS but are otherwise in good condition; are not causing a category 1 hazard and/or have not reached the end of their serviceable and/or economic life span.
- X Provide garden sheds.
- X Maintain, repair or replace Tenants' own fixtures, fittings and building components, e.g. tenants own kitchens, bathrooms, fixed floor coverings, internal doors, Garden Sheds, outbuildings, or any other garden structures.

## Taff may:

- ? Consider other solutions and approaches not listed to comply as far as is reasonable & practical to meet WHQS or the spirit of WHQS, when there is a business case to do so and the solution can be delivered within the budgets set within the approved business plan.
- ? Bring forward the replacement of components as part of planned programmes which may result in replacement of components prior to the end of their useful and/or economic life span where there is a business case to do so.
- ? Bring forward the replacement of components to align component replacements with the provision of aids and adaptations to meet an identified and assessed tenant need in line with our Adaptations Policy.
- ? Remove Tenants' own alterations and/or additions that cause a category 1 Hazard or a breach of legislation or a H&S risk to the tenants or any other resident. Such intervention will be in line with the Tenancy Agreement and the Recharges Policy.
- ? Provide external storage as part of a disabled adaptation.
- ? Remove storage additions to the originally constructed building at the end of their useful and/or economic life spans and not replace them.
- ? Require Tenants to remove Tenants' own Garden Sheds, outbuildings, or any other garden structures which are not fit for purpose or approved.
- ? Consider other solutions and approaches not listed to comply as far as is reasonable & practical to meet WHQS or the spirit of WHQS, when there is a business case to do so and the solution can be delivered within the budgets set within the approved business plan.

## **PART B: Interpretation and Recording of Acceptable Fails 1(Qualified Pass)**

### Taff will:

- ✓ Refer to an Acceptable Fail as a Qualified Pass when communicating WHQS compliance to tenants, residents and other third-party organisations.
- ✓ Record a Pass for approved tenant's alterations that comply with WHQS.

### **1.1 Qualified Pass - Resident Choice (Tenant Refusal)**

#### Taff will:

- ✓ Permit Tenants to choose not to have work carried out unless this would result in a Category 1 Hazard, or a breach of any other legal obligation or duty of care relevant to the health, the safety and wellbeing of the tenant, other residents in the home or neighbours.
- ✓ Record tenant choice /refusal as a Qualified Pass for Resident Choice
- ✓ Record a Qualified Pass for Tenants' own alterations, additions, fixtures and or fitting that cause

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non-compliance with WHQS, but do not cause a category 1 hazard.

## 1.2 Qualified Pass - Physical Constraint

### Taff will:

- ✓ Record a Qualified Pass for Physical Constraint in the following Circumstances:
  - Where any part of a building is too small to accommodate works to remedy non-compliance with WHQS, and the reason for a qualified pass does not cause a category 1 hazard.

It is not possible to list all circumstances where there may be physical constraints. However, some common examples are:

- Adequate space for kitchen appliances
  - Adequate and convenient cupboard storage.
  - A shower as well as a bath.
  - 10m<sup>2</sup> of level area directly accessible from the home.
  - Facilities for washing, drying and airing clothes
  - Adequacy of internal and external storage
  - Special cultural needs of tenants and visitors
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- ✓ Apply the following policies when determining Physical Constraint:
    - Adaptations Policy
    - Fire Safety Policy
    - Rent Policy (bedroom sizes)

### Taff will not:

- ✗ Routinely extend, either internally or externally any buildings or gardens. Neither will we rebuild in part or in whole homes or garden structures to meet WHQS unless failure to do so would cause a category 1 hazard. Instead we will carry out an “options appraisal” for that property and/or property type to determine appropriate action.
- ✗ Extend existing gardens or provide new gardens to meet WHQS.
- ✗ Change the topography of land, communal areas and gardens to meet WHQS.

### Taff may:

- ? Reduce the size of large gardens to make them more manageable for tenants.
- ? We may fence off section(s) within gardens to create safe areas so that parents and carers of children and vulnerable adults can take responsibility to proactively manage access to areas of gardens that may contain hazards for unsupervised children and/or vulnerable adults.

## 1.3 Qualified Pass – Timing of Remedy

### Taff will:

- ✓ Apply a Just in Time policy of elemental component replacement. This means that although elements may fail current WHQS standards, they will be deemed a Qualified Pass (acceptable fail) due to Timing of Remedy where they have not;
  - Reached the end of their lifecycle, or
  - Fallen into contractual or statutory Disrepair, or

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- Caused a Category 1 Hazard
- ✓ Manage such replacements through a rolling planned programme of major works

## Taff will not:

- ✗ Replace components before the end their useful and/or economic life span to comply with WHQS if they are not causing a category 1 hazard and/or not in statutory disrepair. Instead we will record these as a Qualified Pass for Timing of Remedy and then replace these items at the end of their useful and/or economic life in line with our just in time policy.

## Taff may:

- ? Replace components which are not at the end of their life but where there are compelling Value for Money or logistical reasons to deliver works within one contracted work package. e.g. where we are replacing a kitchen and combi boiler when a property is empty with associated works, and it may be more cost effective to include other replacements even though there may be a few years life left in the lifecycle.

## 1.3 Qualified Pass – Cost of Remedy

### Taff will:

- ✓ Develop an Asset Performance Evaluation tool and methodology to assist in determining investment thresholds. This will give a Red, Amber, Green, assessment of the stock including social (largely housing) and economic (largely repair and investment) factors.
- ✓ Adopt a methodical approach to decide on investment and options where assets or asset groups negatively deviate from the prevailing average Net Present Value (NPV) across the entire stock.
- ✓ Categorise assets into Red, Amber & Green based on the following criteria:
  - **Red** – Negatively Performing Assets, less than £0 NPV will automatically trigger a data sense check and/or options appraisal
  - **Amber** – Assets achieving less than 50% of the average NPV may receive investment up to a value no more than 50% of the prevailing average capital investment requirement across the entire stock before triggering an options appraisal.
  - **Green** – Assets exceeding the prevailing average NPV may receive investment up to 75% of the prevailing average capital investment requirement across the entire stock before triggering a review and if necessary an options appraisal
  - (Note, as guidance, the sector average capital investment is around £30,000 per unit over 30 years).

## Data Collection 2

### Taff will:

- ✓ Utilise the most efficient methods for gathering the stock condition information we require in line with the resources we have available We will carry out an independent (external) 10% sample stock condition survey at least every 5 years or more often should our prevailing loan facility agreements require this or its serves a specific business need.
- ✓ We will carry out our own rolling programme of stock conditions surveys to refresh our stock condition information for at least 20% of our stock every year. The 20% refresh will be based on a

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minimum industry standard survey of each property type in the stock. Information from these surveys will be cloned and/or extrapolated across similar homes where there is no recent stock survey for those homes. As this is a minimum standard this figure may be exceeded every year through data captured during planned works.

- ✓ We will have a risk based approach to the targeting of stock condition surveys, to ensure the most up-to-date stock information is available to manage the highest prevailing stock risks.
- ✓ We will use cloning, and /or extrapolation when building our stock condition database.
- ✓ We will gather stock condition information when we carry out repairs, planned maintenance and major works programmes – and validate any such programmes with stock data before the start of works.
- ✓ We will gather SAP information whenever Major works is completed.
- ✓ We will use as built data for components, SAP and lifecycles in new developments
- ✓ We will capture stock condition data using either electronic or paper surveys.
- ✓ We will carry out sense checks and validation on new data to identify bad data before it is used to update our database.
- ✓ All data will be subject to our prevailing Corporate ICT and data policies.

## **Data Storage**

### **Taff will:**

- ✓ Use a specialist commercially available asset management IT system to store and maintain our asset register, stock condition information, stock attributes, duty of care compliance and WHQS compliance.
- ✓ Comply with prevailing corporate ICT and data policies.
- ✓ Review and if required update the WHQS Strategy annually including any data process maps.

## **3.WHQS Progress & Reporting**

### **Taff will:**

- ✓ Report WHQS progress to the Executive Director every quarter.
- ✓ Report WHQS compliance to the Executive Team and Board annually
- ✓ Report WHQS compliance to Welsh Government as required by WG
- ✓ Report WHQS compliance to tenants annually.
- ✓ Report WHQS compliance to new tenants and or at each new letting by issuing them with a WHQS compliance certificate, (including an indicative future works programme regarding qualified passes for their home.)

## **Independent Verification**

### **Taff will:**

- ✓ Carry out an annual independent review which will examine and test the effectiveness of policies and procedures relevant to WHQS compliance and the reporting arrangements to tenants and WG. They will audit the business processes and use of the Asset Management IT system relevant to updating, maintenance and reporting of WHQS data.
- ✓ Carry out an independent 10% sample stock condition survey at least every 5 years or more often should our prevailing loan facility agreements require this or it serves a specific business need. This will include validation of previous stock condition data already held in the stock condition data

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base. The independent consultant will compare the prevailing 5 Year Works Programme with the Stock data and prepare a report to the board identifying any gaps in the data that represent significant unmitigated risks and/or any unmitigated gaps in the Works Programme and 30 Business plans relevant to Taff's WHQS Policy and WHQS compliance.

## WHQS + Standard

### Taff will:

- ✓ Aim to achieve a minimum Sap Rating of 70 for all stock (i.e. for each individual home where this is practicable and affordable within the terms of our business plan) and an increasing average SAP each year for the housing portfolio (current SAP rating 76).

## Summarised KPIs - Annual Investment in Stock

### Taff will:

- ✓ Report annually in the following format:

o Responsive, void and cyclical repairs	£ x	per property/pa
o WHQS works	£ x	per property/pa
o Other capital works	£ x	per property/pa
o Total	£ x	per property/pa
o Total expenditure (all stock)	£ x	xxxxxxxxxxxxxx

## Welsh Government Statistical return

### Taff will:

- ✓ Produce the WG statistical return directly from our Asset Management IT System on all properties purchased through Social Housing Grant (SHG).
- ✓ Carry out an annual internal audit of the data supporting the return.
- ✓ Review and update our works programmes annually
- ✓ Review our 30 year business plan annually

## Interpretation and Recording of Community Benefits

### Taff will:

- ✓ Use the prevailing "Value Wales Measurement tool", to capture Community Benefits on contracts that exceed £250,000.