

Dadansoddi ar gyfer Polisi



Analysis for Policy



Llywodraeth Cymru  
Welsh Government

SOCIAL RESEARCH NUMBER:

43/2021

PUBLICATION DATE:

30/06/2021

# Welsh Housing Quality Standard: Summative Evaluation

Mae'r ddogfen yma hefyd ar gael yn Gymraeg.

This document is also available in Welsh.

**OGL** © Crown Copyright Digital ISBN 978-1-80195-522-5

## Welsh Housing Quality Standard: Summative Evaluation

Authors: Three Dragons, Cyngor Da and Ulster University -  
Built Environment Research Institute (BERI)

Full Research Report: Three Dragons, Cyngor Da and Ulster University: Built Environment Research Institute (2021). *Welsh Housing Quality Standard: Summative Evaluation*. Cardiff: Welsh Government, GSR report number 43/2021  
Available at: <https://gov.wales/summative-evaluation-welsh-housing-quality-standard>

Views expressed in this report are those of the researchers and not necessarily those of the Welsh Government.

For further information please contact:

Katy Addison

Knowledge and Analytical Services

Welsh Government

Cathays Park

Cardiff

CF10 3NQ

Tel: 03000 256292

Email: [SustainableFuturesResearch@gov.wales](mailto:SustainableFuturesResearch@gov.wales)

## Table of Contents

1.	Introduction .....	4
2.	Methodology.....	8
3.	Background and context to housing quality standards .....	14
4.	Characteristics and early implementation.....	17
5.	Data reporting, management and compliance.....	33
6.	Outcomes and impact .....	50
7.	Decarbonisation .....	54
8.	Conclusions and recommendations .....	66
	References .....	75
	Annex A - Summary of standards of social rent housing in comparator jurisdictions .....	79

## Glossary

Acronym/Key word	Definition
Acceptable Fail	Where compliance with the Welsh Housing Quality Standard (WHQS) for an individual element is not possible in certain situations – which may include cost or timing of the work, residents choosing not to have work done or where there are physical constraints to the work. In these situations, a dwelling may be classified as an ‘acceptable fail.’
Auditor General for Wales	Created in 2005, the Auditor General is the statutory external auditor of most of the Welsh public sector.
BRE	The Building Research Establishment is a centre of building science owned by charitable organisation the BRE Trust. It provides research, advice, training, testing, certification and standards.
CCC	UK Climate Change Committee
CHC	Community Housing Cymru - the representative body for housing associations in Wales.
CIH Cymru	Chartered Institute of Housing in Wales – the professional body for people working in housing in Wales.
DHS	Decent Homes Standard - the standard to which social rented homes in England must comply.
Dowry funding	The funding which Welsh Government gives to 10 housing associations to help improve their housing. These housing associations were set up when local authorities transferred their housing stock.
DQR	Development Quality Requirements – these are the minimum functional standards for new and rehabilitated general needs homes built by social housing providers.
EPC	Energy Performance Certificate – this is a measure of how energy efficient a building is and gives it a rating from A (very efficient) to G (inefficient).
Essex Review	Affordable Housing Task and Finish Group Report to the Deputy Minister for Housing June 2008.
Groundwork Wales	Groundwork helps communities across Wales create better neighbourhoods, build skills and job prospects and to live and work in a greener way.
HA	Housing association - see also RSL and LSVT.
HouseMark Cymru	HouseMark is a membership organisation, providing solutions and opportunities to drive performance improvements.
Housing Corporation in Wales	The regulatory body for housing associations in Wales until 1988.
HRAS	Housing Revenue Account Subsidy
IHP	The Innovative Housing Programme is a Welsh Government funding programme seeking to stimulate the design and delivery of new, good quality, affordable homes to increase supply, speed up delivery, trial

	new housing models and delivery methods and prove the replicability of innovative housing models.
LSVT	Large Scale Voluntary Transfer – the result of a positive ballot of a local authority’s tenants to transfer the ownership of the local authority’s homes to a new landlord body.
MRA	Major Repairs Allowance - Welsh Government funding for the 11 local authorities which manage and maintain their rented homes.
ORP	Optimised Retrofit Programme – the Welsh Government programme to support energy efficiency improvements in existing social housing in Wales to meet carbon reduction targets.
Pandemic	The Covid-19 global pandemic
PAC	The Public Accounts Committee - established by the Welsh Government in 2016 consider matters relating to the economy, efficiency and effectiveness with which resources are employed in the discharge of public functions in Wales.
PHW	Public Health Wales is one of the 11 organisations which makes up NHS Wales. It is the national public health agency in Wales which works to protect and improve health and well-being and reduce health inequalities for the people of Wales.
PoC	Percentage of compliance with WHQS
Quango	Quasi Non-Governmental Organisation – an example of which was Tai Cymru, which regulated and funded housing associations in Wales between 1988 and 1998.
RMI	Repair, maintenance and improvement
RSL	Registered Social Landlord – a social landlord registered and regulated by Welsh Ministers under Part 1 of the Housing Act 1996.
SAP	Standard Assessment Procedure - A SAP rating calculation indicates a score from 1 to 100+ for the annual energy cost based on the elements of structure, heating and hot water system, internal lighting and renewable technologies used in the home. The higher the score the lower the running costs, with 100 representing zero energy cost.
Stock Transfer	The transfer of ownership of local authority housing to newly created housing organisations.
Tai Cymru	The regulatory body for housing associations in Wales between 1988 and 1998.
Tai Pawb	Tai Pawb promotes equality and social justice in housing in Wales
TPAS Cymru	Works with Landlords and Tenants in Wales to help shape housing services. It enables the sharing and promotion of good practice in tenant participation.
Value Wales	Value Wales is the procurement arm of Welsh Government.
VfM	Value for Money
WHQS	The Welsh Housing Quality Standard: the standard to which all social rented housing in Wales must comply between 2002 and 2021.
WHQS 2.0	The future revision to WHQS.

# 1. Introduction

## Context and purpose of the research

- 1.1 The Welsh Housing Quality Standard (WHQS) was introduced by Welsh Government in 2002 to raise the physical standard and condition of social housing in Wales. WHQS applies to housing associations and local authorities with social rented housing. The standard does not apply to other housing developed by social landlords or to the private sector.
- 1.2 In order to meet the Welsh Housing Quality Standard, housing must be:
1. In a good state of repair;
  2. Safe and secure;
  3. Adequately heated, fuel efficient and well insulated;
  4. Contain up-to-date kitchens and bathrooms;
  5. Well managed (for rented housing);
  6. Located in attractive and safe environments; and
  7. Where possible, suitable for the specific needs of those living there, such as those with disabilities.
- 1.3 The WHQS measures 42 individual elements within these seven categories<sup>1</sup>. Full compliance is where the WHQS is achieved for all 42 individual elements. There can be situations where achieving the standard for an individual element is not possible. Such situations may include cost or timing of the work, residents choosing not to have work done or where there are physical constraints to the work; in these situations, a dwelling may be classified as an 'acceptable fail.'
- 1.4 The latest statistical data available showed that, at March 31<sup>st</sup> 2019, 93% of all social dwellings complied with WHQS (including 'acceptable fails')<sup>2</sup>. At the time of writing, data is being collected to show the position of all social landlords at the programme deadline of 31<sup>st</sup> December 2020. The deadline is later than was initially envisaged (as described further in chapter 4). Due to the impact of the Pandemic, a

---

<sup>1</sup> Welsh Assembly Government, 2008, The WHQS: Revised Guidance for Social Landlords on Interpretation and Achievement of the WHQS

<sup>2</sup> Welsh Government, 2019, Statistical First Release: Welsh Housing Quality Standard (WHQS) as at 31 March 2019

small number of social landlords have been granted an extension of one year beyond the deadline (to 31<sup>st</sup> December 2021).

1.5 While compliance with WHQS by the deadline is not yet fully established, what can be stated is that WHQS has achieved a significant upturn in the quality of the social rented stock in the time since it was first introduced.

1.6 Welsh Government is currently considering the next iteration of the WHQS (WHQS 2.0); what it should include and how it should be monitored. This sets the context for the Summative Evaluation which addresses the following three key objectives, to:

- Assess the extent to which the WHQS has been achieved;
- Reflect the outputs of delivering the standard (including social, economic and well-being, as well as physical improvement to housing stock);
- Apply the findings from the Summative Evaluation to producing recommendations for the development of the revised standard.

1.7 An important element of WHQS 2.0 will be ensuring support for Welsh Government's objectives for decarbonisation. In response to the Committee for Climate Change's (CCC) recommendations Welsh Government has adopted a target of net zero emissions by 2050<sup>3</sup>, bringing that target into law in March 2021. The CCC's sixth Carbon Budget which, in setting out the pathway to net zero, recommended there should be a 63% reduction in carbon by 2030 and an 89% reduction by 2040 in Wales.<sup>4</sup> These were adopted and approved by the Welsh Parliament in March 2021. Subsequently, the UK Government has announced that it will set in law a climate change target that cuts emissions by 78% by 2035, compared to 1990 levels.

---

<sup>3</sup> Welsh Statutory Instrument, to The Environment (Wales) Act 2016 (Amendment of 2050 Emissions Target) Regulations 2021 effective from 12<sup>th</sup> March 2021

<sup>4</sup> Climate Change Committee, 2020, Sixth Carbon Budget

## **Content of the report**

1.8 Chapter Two of the report sets out the research methods used for the research. These were a detailed literature review, an analysis of the data tracking conformity with WHQS since its introduction and a workshop with a group of landlords to explore the issues emerging from the research.

1.9 Thereafter, the report is thematic and is structured as follows:

- Chapter 3 - Background and context to housing quality standards;
- Chapter 4 - Characteristics and early implementation;
- Chapter 5 - Data reporting, management and compliance;
- Chapter 6 - Outcomes and impact;
- Chapter 7 – Decarbonisation;
- Chapter 8 - Conclusions and recommendations.

## **Key messages from the evaluation**

1.10 The evaluation concludes that the WHQS has been effective in achieving its key objective of raising standards of social rented housing, although more so for some of the 42 elements of the WHQS than for others (including energy efficiency).

1.11 The available evidence indicates that WHQS has benefits for tenants and should be continued into the future. WHQS 2.0 should be largely in the form of the current WHQS but with some innovations and refinements in the approach to data collection and reporting.

1.12 However, there are some important amendments to the standards being proposed that reflect the findings of the research and external changes. Key of these are:

- There is a staged approach to the introduction of measures to meet the nationally defined targets for decarbonisation and which, importantly, ensures tenants are no worse off as a result of decarbonisation work in their homes and which aims to improve comfort levels and further reduces fuel poverty;
- A recommendation that Welsh Government works with landlords and tenant organisations to devise a standard that ensures incoming tenants are not faced with the burden of finding the resources to purchase floor coverings when they move into a new property;



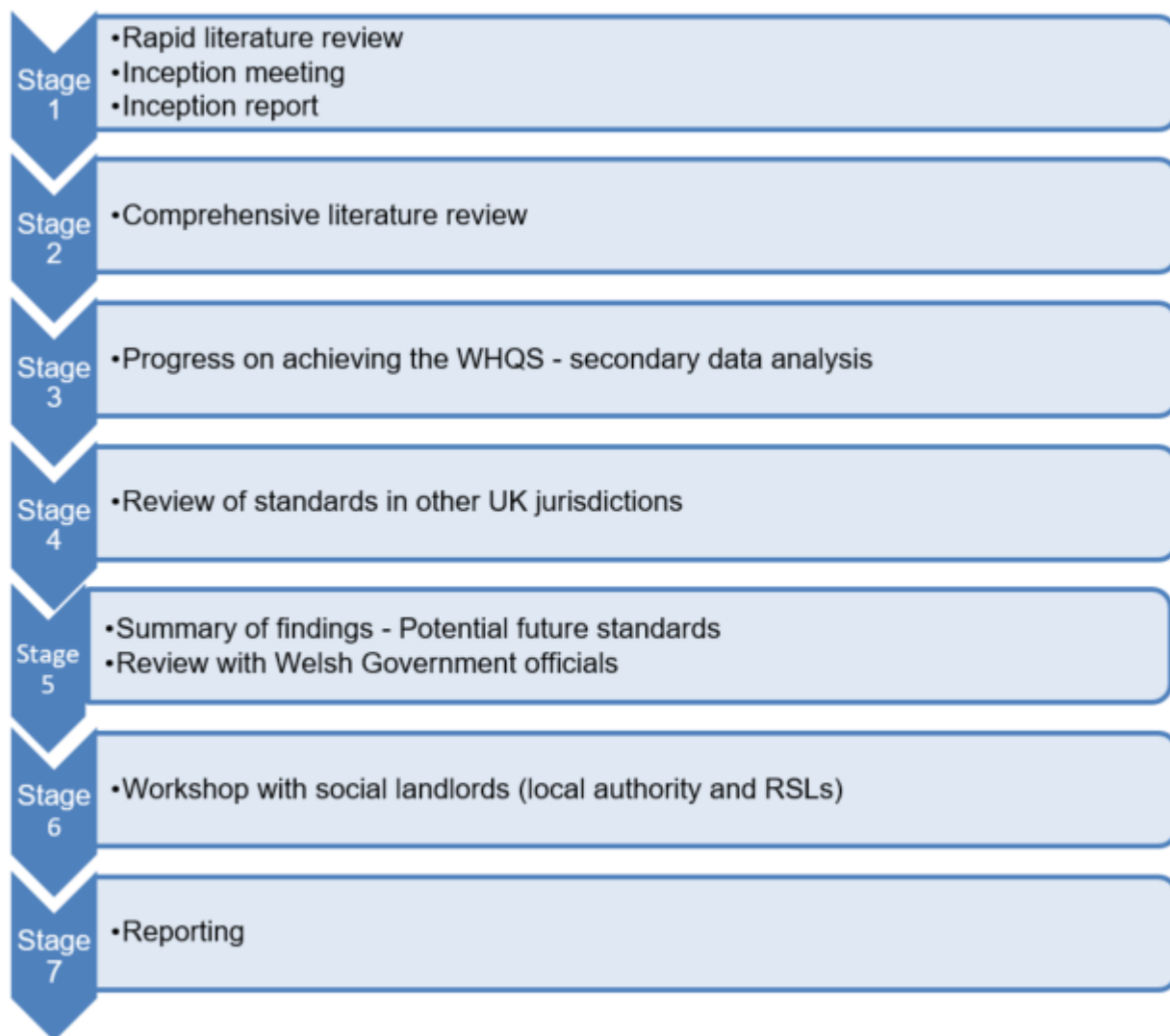
- That Welsh Government seeks expert advice about the most effective way of delivering broadband to tenants; and that it should work with the landlords and tenant organisations to identify a new standard of provision for WHQS 2.0.

## 2. Methodology

### Introduction

- 2.1 A mixed methodological approach underpins this Summative Evaluation of the Welsh Housing Quality Standard. As is the case of all such commissioned research projects, the methodology adopted reflects resources, timescales and data availability. It combines a comprehensive review of the relevant policy literature and analysis of secondary data sources – with some additional qualitative insights elicited from discussions with key Welsh Government staff and a workshop for social landlords.
- 2.2 The methodological framework addresses the three key objectives for the research set out in the specification, with an approach that takes into account the guidance in both the HM Treasury’s Magenta and the Aqua books (2020 and 2012 respectively). These objectives are as follows:
- To assess the extent to which the WHQS has been achieved;
  - To reflect upon the outputs of delivering the standard (including social, economic and well-being, as well as physical improvement to housing stock);
  - To apply the findings from the Summative Evaluation to producing recommendations for the development of the revised standard.
- 2.3 The UK Government publication on designing evaluations, The Magenta Book, notes that, *“There are no set criteria for defining a good evaluation; it will be determined by many factors relating to the policy, the use the evaluation evidence will be put to, and the design and execution of the evaluation itself.”* It also highlights that, *“A good evaluation will be one that is fit-for-purpose: it is proportionate in scale and reflects the needs of decision-makers and those scrutinising the policy from the outside.”*
- 2.4 This useful advice helped the research team identify the six main stages of the project, as well as a final reporting stage. The stages are set out diagrammatically below, followed by a more detailed description of each. The chapters of the report describe the findings from the different stages of research but do not directly follow the order of main stages of the project as set out below.

**Figure 2.1 Main stages of the project**



**Stage 1: Rapid literature review – inception meeting and report**

2.5 The research team supplemented the list of documents for review identified at project inception with an online search of Government websites, guided by the use of key words and phrases. This revealed a range of key documents (approximately 40) that needed to be reviewed. These were primarily documents published by the Welsh Assembly (now Welsh Parliament) and Welsh Government which provided information and guidance to social landlords on the WHQS as well as key statistics that provided a comprehensive record into progress towards achieving the standard.

- 2.6 This provided the research team with a basic knowledge that facilitated a constructive dialogue with the Welsh Government team early in the project. The meeting focused on issues surrounding the need for a more formal assessment of the Standard itself, progress towards achieving it and the ambition to both adjust and expand the scope of the standard in the light of the increasingly important environmental agenda – in particular, decarbonisation.

### **Stage 2: Comprehensive literature review**

- 2.7 This literature review constitutes the first stage in the Summative Evaluation of the Welsh Housing Quality Standard and draws largely on documents published online, supplemented by a number of additional documents provided by the Welsh Government. It uses a classic historical analysis approach to provide a comprehensive overview of the setting, management and monitoring of the standards for social housing in Wales – standards that have applied to all dwellings owned and managed by either local authorities or Registered Social Landlords (RSLs) (both housing associations and Large-Scale Voluntary Transfer landlords) in Wales since 2002. More specifically, it explores the WHQS in terms of its characteristics, implementation, its impact and the lessons learnt. Key reports that informed this section included a Welsh Assembly Government report (*Revised Guidance for Social Landlords on Interpreting and Achieving the WHQS*, 2008), reports by the Auditor General for Wales (2012) and by the Public Accounts Committee (2012) on progress in achieving the WHQS, and one by independent consultants, Altair (*Welsh Housing Quality Standard: Verification of progress in achieving the Standard*, 2014). More recent qualitative evidence was also provided by a report on feedback from landlord workshops held in 2020 by Welsh Government.
- 2.8 The literature referenced in the Summative Evaluation is set out in the Reference Section at the end of the report.

### **Stage 3: Progress on achieving the WHQS – data analysis**

- 2.9 This stage involved a detailed analysis of compliance data from the StatsWales website as at 1<sup>st</sup> February 2021. The contextualisation and interpretation of the data was guided by a range of reports, including the key ones noted in Stage 2 (above).

This secondary data analysis has also been informed by discussions with Knowledge and Analytical Services and the Homes and Places Division within Welsh Government in order to provide a more nuanced understanding of the data. The analysis and evaluation of WHQS compliance levels focuses on the period 2011-12 to 2018-19 and emphasises the need to be aware of changes to policy and guidance when interpreting progress over time.

- 2.10 This element of the research process also provides a detailed assessment of progress made by local authorities and RSLs in relation to compliance broken down by individual WHQS component over the 8-year period. It also examines the issue of ‘acceptable fails’ – an important concept in terms of evaluating progress towards achieving full compliance – as well as the role of Major Repair Allowances (MRA) and Dowry funding for capital improvements aligned to achieving WHQS.

#### **Stage 4: Review of standards in other UK jurisdictions**

- 2.11 This section draws on a range of online Government publications from England, Scotland and Northern Ireland to trace the development of equivalent quality standards for social housing in these jurisdictions. The information gleaned from these publications is summarised in tabular form in Annex A to facilitate comparisons. However, it is important to emphasise that although this summary highlights inter-jurisdictional differences in standards, it does not attempt to come to an overall conclusion on the relative merits and calibre of each of these standards – something that would require a comprehensive technical evaluation that lies outside the scope of this research.

#### **Stage 5: Summary of findings – potential future standards**

- 2.12 This stage draws together the key findings of the research and an initial draft of these formed the basis of a presentation to Welsh Government officials. The ensuing discussion helped inform the interpretation of the analysis as well as shaping the study’s ultimate conclusions and recommendations in relation to future standards.

## **Stage 6: Workshop with registered social and local authority landlords**

- 2.13 The final stage of the research comprised an online workshop with a WHQS reference group made up of officers from social landlords across Wales who had volunteered to undertake this engagement role. While not a group that is statistically representative, it did reflect a broad range of landlord types, including local authorities and both smaller and larger RSLs.
- 2.14 The workshop was designed to both ‘sense check’ the research findings and, in the spirit of co-production, elicit the views of experts on the ground to ensure that the conclusions and recommendations were realistic and achievable. The first part of the presentation by the research team focused on compliance statistics, some cross-jurisdictional insights and the benefits that have accrued as a result of the introduction of WHQS. Feedback from two break-out groups provided advice in relation to proposed revisions to the WHQS and to ensuring a successful roll-out.
- 2.15 The second part of the presentation examined proposals to support the Welsh Government’s decarbonisation policies, with feedback providing useful insights in relation to the principles adopted and the support landlords may require in ensuring its successful implementation.

## **Reporting**

- 2.16 The report is structured to reflect key work stages as outlined above and written in a style that minimises the use of technical jargon and leads the reader to the conclusions and recommendations in a logical manner.

## **Limitations of the research**

- 2.17 The key research findings emerging from this study were for the most part based on a substantial range and quantity of secondary data provided to the research team by Welsh Government. The data had been collected over the years from both registered social landlords and local authorities. However, given that this data was provided by these organisations themselves and given the potential for variable interpretations of the detail of the WHQS it is important to emphasise that, overall, the findings may well be based on a somewhat inconsistent dataset.

- 2.18 Likewise, the staff who attended the workshop for registered social landlords and local authorities (as indicated above) cannot be considered to constitute a statistically representative sample.
- 2.19 However, although some caution should therefore be exercised in terms of the detailed findings that emerged from the analysis of secondary data and the feedback from RSL and local authority staff, the research team is satisfied that the overall conclusions and recommendations are based on robust available evidence.

### 3. Background and context to housing quality standards

#### Summary

- The development of the WHQS followed a sustained period of council housebuilding which, by the 1980s and 1990s, was beginning to produce a repairs and improvement agenda.
- The first set of standards for social rented housing in Wales was the Development Quality Requirements for Existing and Rehabilitated Dwellings (DQR) introduced by Tai Cymru for housing association homes.
- The first national strategy for housing – Better Homes for People in Wales (2001) - introduced the concept of high-quality rented housing, common standards and tenure neutrality.

#### Origin of housing quality standards in Wales

- 3.1 From the start of the Second World War and throughout the 1950s local authorities were building more new housing than private house builders and, by the late 1970s, they were building 100,000 homes annually across the UK. Many local authorities had been focused on clearing slums as well as on building new homes. By the 1980s and 1990s, much of the immediate post war growth in council homes was beginning (after thirty years) to produce a repair and improvement agenda which landlords were having to find resources to fund.
- 3.2 The years of Conservative UK governments in the 1970s and 1980s had seen an end to growth in local authority housebuilding, as housing associations were seen as the solution to the need for more social housing. And from the late 1980s these independent housing organisations were expected to raise more and more of the funding they required to build new homes from banks and building societies. In Wales, the introduction of this mixed funding was encouraged through the Housing Corporation in Wales and then Tai Cymru (Housing for Wales), the quango established in 1988 to fund and regulate housing associations in Wales. In 1994, concerned with controlling the standard of existing housing association homes as well as funding new development, Tai Cymru required associations to start carrying out stock condition surveys and supported some associations to carry these out. Four years later, in 1998, Tai Cymru introduced Development Quality Requirements



for Existing and Rehabilitated Dwellings (DQR) with a target date of 2010 - the first time a target standard for existing social housing had been set in Wales. The DQR formed the basis of the technical requirements of the WHQS which was to be launched four years later.

### **Establishing WHQS**

- 3.3 The WHQS has been part of most housing policy discussions and debates in Wales since its first appearance as a proposal in the early years of the National Assembly for Wales. The first national strategy for housing – Better Homes for People in Wales (2001) - was the result of wide consultation and collaboration with task groups representing many of the sector stakeholders. In it, the Assembly Government introduced the notion of high-quality rented housing, common standards and tenure neutrality. This came at a time when there were serious levels of disrepair in the public and private housing sectors, a backlog of outstanding repairs and improvements, many social homes recognised as being energy inefficient and fuel poverty was growing alarmingly. The link between poor housing and people’s health, safety and well-being, long established in research, was acknowledged and accepted. Wider social and economic impacts of ‘run-down housing’ was also referenced as was the challenge of attracting investment to deal with the issue. In the foreword to the strategy, Edwina Hart, the then Minister for Finance, explicitly linked housing quality and the quality of people’s lives. Indeed, quality was identified as *‘the main theme that runs through our strategy...’*<sup>5</sup>
- 3.4 The Assembly Government had a clear definition for what was meant by ‘good quality’ and the seven categories in its definition would in time become the WHQS: *‘We want to eradicate poor housing across all tenures. That is why it is important that all households in Wales are given the opportunity to live in good quality homes i.e., homes which are: in a good state of repair; safe and secure; adequately heated, fuel efficient and well insulated; contain up-to-date kitchens and bathrooms; well managed (for rented housing); located in attractive and safe environments; and*

---

<sup>5</sup> National Assembly for Wales, 2001, Better Homes for People in Wales

*as far as possible suit the specific requirements of the household (e.g., specific disabilities)' <sup>6</sup>*

- 3.5 The strategy identified social housing as needing to be both of good quality and readily available for 'those who couldn't buy'. It also made clear that the new Assembly Government wanted to see the improvement and repair backlog tackled and to stop what it saw as the deterioration in local authority homes.

---

<sup>6</sup> National Assembly for Wales, 2001, Better Homes for People in Wales

## 4. Characteristics and early implementation

### Summary

- Progress in WHQS compliance was slow in the period between its introduction (2002) and the first review (2011).
- Reviews in 2012 by the Auditor General for Wales and the Public Accounts Committee were critical of aspects of the Standard, its implementation, and progress toward compliance.
- Guidance was issued by Welsh Government at the point of introduction and revised in 2008 when the concept of an 'acceptable fail' was introduced.
- Monitoring, reporting and data has presented challenges to social landlords and Welsh Government since the introduction of WHQS.
- Compliance with the Environmental Standard has presented the most significant challenge for landlords.
- The other UK jurisdictions have followed a similar pattern to the development of standards for social rented housing as that in Wales with standards first introduced in the early 2000s and reviews now currently underway. There is a case for saying that the WHQS is a more demanding standard than found in the other jurisdictions.

### WHQS up to 2010

- 4.1 The WHQS was introduced in 2002 to 'raise the physical standard and condition of social housing in Wales'. The deadline for compliance with the standard was 2012 which would later become 31<sup>st</sup> December 2020. Latterly, as a result of the impact of Covid-19, an extension of one year beyond the deadline (to 31<sup>st</sup> December 2021) has been granted to a small number of social landlords.
- 4.2 The introduction of the WHQS in Wales followed a significant change in social housing policy and investment in England which was heralded by the UK Government in a green paper in 2000<sup>7</sup>. It followed the election of a UK Labour

---

<sup>7</sup> Office of the Deputy Prime Minister, 2000, Quality and Choice: A Decent Home for All – The Housing Green Paper

Government in 1997 when approximately 2.2 million social homes were regarded as unfit. In 2000, the UK Government set itself a target to bring all social housing up to a decent standard by 2010. A decent home was one which met four criteria: the current statutory minimum standard for housing; was in a reasonable state of repair; had reasonably modern facilities and services; and provided a reasonable degree of thermal comfort.

- 4.3 In Wales, separate guidance for housing associations and local authorities was issued in 2003<sup>8</sup>. This explained what landlords needed to do and when they needed to do it, in order to meet the WHQS; it set out the detail on the WHQS and then set out minimum requirements and good practice guidance. Landlords began the process of implementation, but a number found interpretation a challenge. This eventually led, in 2008, to the publication of revised guidance<sup>9</sup>.
- 4.4 Apart from a reference to the WHQS and the potential for partial stock transfer in the Essex Review in 2008<sup>10</sup> there is a gap in the available literature to explain what landlords were doing between 2002 and 2010. However, in 2010 a pilot study was set up by a Ministerial Task Force to monitor WHQS progress. The results were published in 2011<sup>11</sup> which showed variable performance with 35% of housing association homes and 15% of local authority homes reported as meeting the WHQS in March 2010. Housing associations had been required, through regulation, to demonstrate investment over time in maintaining their homes.

### **2012 review and changes to WHQS**

- 4.5 There were initial misgivings regarding the official data, statistics, reporting and monitoring in relation to compliance in the early years of the WHQS. The Auditor General for Wales carried out a review of progress in 2012<sup>12</sup>. The report questioned whether the original deadline of achieving the WHQS by 2012 was ever realistic due to the lack of robust information in relation to the baseline condition of social

---

<sup>8</sup> Welsh Assembly Government, 2003, The Welsh Housing Quality Standard, Guidance for Local Authorities / Registered Social Landlords on the Assessment Process and Achievement of the Standard

<sup>9</sup> Welsh Assembly Government and HouseMark Cymru, 2008, Revised Guidance for Social Landlords on Interpretation and Achievement of the Welsh Housing Quality Standard

<sup>10</sup> Affordable Housing Task and Finish Group, 2008, Report to the Deputy Minister for Housing

<sup>11</sup> Welsh Government, 2011, Social landlords performance in achieving the Welsh Housing Quality Standard

<sup>12</sup> Auditor General for Wales, 2012, Progress in delivering the Welsh Housing Quality Standard, Wales Audit Office

housing when the WHQS was established, and the 2012 target date set for full compliance. In the context of this lack of data, the report emphasised that the Welsh Government target was aspirational.

- 4.6 At the time of the review by the Auditor General for Wales, Community Housing Cymru (CHC), the trade body for housing associations in Wales agreed with this view.<sup>13</sup> However, it was more sympathetic to the targets, attesting that the Welsh Government was correct to set targets as this encouraged activity and encouraged RSLs and local authorities to consider investment options for the future along with their tenants. CHC did however illustrate the “inconsistency between the process of setting aspirational targets” indicating that those RSLs which were already established in 2002 were arguably in a stronger position to deliver the WHQS than those subsequently established as a result of stock transfer, or local authorities which balloted tenants on stock transfer and received a no vote.
- 4.7 There was considerable criticism by the Auditor General for Wales of the Welsh Government for the lack of action to address the limited progress made by local authorities in delivering the WHQS.
- 4.8 The Auditor General for Wales’ 2012 report noted that there was ambiguity surrounding the sanctions that the government would impose on landlords that did not achieve the WHQS by the target date. It noted that the review of the Better Homes strategy by Welsh Government<sup>14</sup> (2006) showed that 10 of the 22 local authorities had not confirmed their plans to achieve the WHQS. Despite the clear lack of progress in some areas, the review did not reassess the feasibility of the target date of 2012. Although the review raised concerns about local authorities that were not undertaking option appraisals, it did not consider the need for any remedial action.
- 4.9 However, according to the Auditor General for Wales’ report<sup>15</sup> the Welsh Government did introduce new criteria for the Major Repairs Allowance (MRA) in

---

<sup>13</sup> National Assembly for Wales, 2012, Public Accounts Committee, Progress in Delivering the Welsh Housing Quality Standard, paragraph 43

<sup>14</sup> Welsh Assembly Government, 2006, National Housing Strategy for Wales: A Selective Review

<sup>15</sup> Auditor General for Wales, 2012, Progress in delivering the Welsh Housing Quality Standard, Wales Audit Office

2008. This stated that local authorities had to have a viable business plan to meet and maintain the WHQS, or to be otherwise committed to working with the Welsh Government to ensure the best use of available resources or 'Value for Money'.

- 4.10 The Welsh Government believed that withholding the MRA would have made it even more difficult for local authorities to deliver WHQS-related improvement work and deemed that the new criteria sharpened the focus of local authorities in achieving the WHQS.
- 4.11 In addition to the review by the Auditor General for Wales, there was a more limited review by the Welsh Government's Public Accounts Committee (PAC) in 2012<sup>16</sup>. Its view mirrored much of the Auditor General for Wales' evaluation, noting that there was no baseline assessment of the quality of existing social housing, a lack of guidance to help landlords interpret the standard and comply with it, and no clear plan to monitor progress (including the total expenditure involved). A later report by Welsh Government (2014) on WHQS progress referred to the '*considerable latitude in interpretation of the standard, complexity in gathering information on between 50 and 70 components and sub-components per property and how much more was involved in implementing the WHQS than just upgrading building components*'<sup>17</sup>.
- 4.12 The 2012 PAC review highlighted that some local authorities were hampered financially by the 'democratic preference' of tenants and should not be penalised. Despite this, the review was critical of the Welsh Government for lacking a practical sanction with which it could address local authorities which lacked credible business plans for financing the WHQS, and which chose not to ballot tenants on stock transfer.

---

<sup>16</sup> National Assembly for Wales, 2012, Public Accounts Committee, Progress in Delivering the Welsh Housing Quality Standard

<sup>17</sup> Welsh Government, 2014, Welsh Housing Quality Standard: Verification of progress in achieving the Standard

4.13 The Auditor General for Wales' thorough evaluation<sup>18</sup> did not pull any punches:

*'There is broad agreement with the aims of the WHQS, but aspects of what it means in practice have been unclear and there is some uncertainty about future development of the Standard'*

*'Although there has been substantial investment in work to achieve the WHQS, it is difficult to identify total expenditure and opportunities to deliver improvement work in a more efficient or economic way may have been missed'*

*'The slower than expected pace of stock transfer in some local authorities has hampered progress towards achieving the WHQS and, to date, stock transfer has required financial support amounting to at least £476 million'*

*'The Welsh Government has not acted swiftly or effectively enough to monitor progress and ensure that work to achieve the WHQS was being prioritised by landlords. There is positive evidence of wider social, economic and environmental benefits from work to achieve the WHQS, but some landlords have focused on this more strongly than others and there is no clear framework for measuring success.'*

### **Guidance**

4.14 The WHQS takes a component-based rather than a whole house approach in measuring compliance, with forty-two individual elements within the seven categories. Full compliance refers to properties where the WHQS is achieved for all forty-two individual elements. However, there can be situations where achieving the standard for an individual element is not possible. Such situations may include cost or timing of the work, residents choosing not to have work done or where there are physical constraints to the work – in this case one or more elements are recorded as 'acceptable fails' – a concept absent when the WHQS was introduced in 2008. Where a home contains one or more 'acceptable fails' but all other elements are compliant, the property is deemed to be compliant with WHQS subject to 'acceptable fails'.

---

<sup>18</sup> Auditor General for Wales, 2012, Progress in delivering the Welsh Housing Quality Standard, Wales Audit Office

4.15 In its guidance<sup>19</sup> at the time the WHQS was published, the Welsh Assembly Government (2002) suggested that landlords should prioritise in their improvement programmes by considering:

- Health, safety and security;
- Knowledge of tenants' views and aspirations;
- Experience of housing need and lettability;
- Energy efficiency; and
- The RSL's financial position and its ability to secure future resources.

4.16 The 2008 Revised Guidance published by Welsh Government and HouseMark Cymru<sup>20</sup> introduced the idea of primary and secondary elements to distinguish between improvement works which affect the safety of the occupants and it also introduced the term 'acceptable fail':

*'Minimum Requirements which develop the Standard in greater detail are considered to be an acceptable minimum. Each element of the Standard has been categorised as either a Primary or Secondary element:*

- *a Primary element is one that impacts on the safety of the residents*
- *a Secondary element is more focused around the comfort of the residents'*

In the Section on Assessment, the Revised Guidance introduced a new category:

*'Appendix 3 provides landlords with an assessment checklist as a quick reference point to assist in ensuring that all elements of the Standard have been considered. In all possible cases, landlords will assess elements as Pass, Fail or Not Applicable. In cases where this is not possible, it may be appropriate to employ the 'acceptable fail' category'.<sup>21</sup>*

---

<sup>19</sup> Welsh Assembly Government, 2002, The Welsh Housing Quality Standard, Guidance for Local Authorities on the Assessment Process and Achievement of the Standard

<sup>20</sup> Welsh Assembly Government and HouseMark Cymru, 2008, WHQS Revised Guidance

<sup>21</sup> Welsh Assembly Government and HouseMark Cymru, 2008, WHQS Revised Guidance



- 4.17 The Guidance went on to explain that an ‘acceptable fail’ could only be used in one or a combination of four situations: cost of remedy; timing of remedy; residents’ choice; or physical constraint.
- 4.18 The initial lack of guidance on the WHQS delayed progress towards WHQS delivery. Initial guidance issued to local authorities and housing associations in April 2002 and November 2003 required landlords to finalise their plans to achieve the WHQS by the end of 2006. The PAC Review (2012) concluded that landlords raised concerns in 2004 regarding interpretation but revised guidance did not appear until 2008.
- 4.19 The Auditor General for Wales report (2012) noted that despite the introduction of the ‘acceptable fail’ option, landlords found using it challenging, noting that few landlords were able to provide a detailed breakdown of data. Welsh Government subsequently advised that landlords had reported at least 11,000 ‘acceptable fails’ – most commonly due to physical constraints or resident choice.<sup>22</sup>
- 4.20 Through the work of the Auditor General for Wales in 2012, it became clear that some landlords would not reach the original deadline of 2012<sup>23</sup>. The target was then extended to 2020.

### **Monitoring, reporting and data**

- 4.21 At its launch the Welsh Government did not set interim targets for progress towards compliance with the WHQS and, until 2010, had not sought to measure landlords progress on a consistent basis. A monitoring regime was first introduced in 2010 – this was a first attempt at monitoring but was in fact more of a data collection exercise. An analysis was published in 2011.<sup>24</sup>
- 4.22 In relation to data quality, the Auditor General for Wales’ report (2012) noted clear differences in the quality of the stock condition data and the ease with which it had been gathered by landlords. The report acknowledged that the variations in data

---

<sup>22</sup> Auditor General for Wales, 2012, Progress in delivering the WHQS, Wales Audit Office - summary Para 13

<sup>23</sup> It was reported that: ‘Six Large Scale Voluntary Transfer (LSVT) associations and two local authorities have formally agreed with the Welsh Government extensions to the target date’ – see para 5 page 7 of Auditor General for Wales, 2012, Progress in delivering the WHQS, Wales Audit Office

<sup>24</sup> Welsh Government, 2011, Social Landlords Performance in Achieving the Welsh Housing Quality Standard

quality were related to the sophistication of landlord databases which resulted in more robust and reliable assessment for some landlords, with others only able to supply estimates obtainable from available surveys and databases.

- 4.23 The Welsh Government subsequently introduced additional monitoring and data collection procedures from 2012 with enhanced guidance supplied for completing the data in a more consistent fashion, with the aim of improving monitoring of progress for meeting the WHQS. Until then it had been accepted that some aspects of the WHQS were open to subjective interpretation.
- 4.24 There was initially little or no external independent verification or audit of the self-reporting by landlords. The 2012 PAC review<sup>25</sup> noted that the Auditor General for Wales had recommended that the Welsh Government validate landlord returns by either: commissioning independent spot-checks on a sample of properties that are deemed to be fully compliant with the WHQS in order to check the consistency of landlord interpretation of the WHQS requirements; or commissioning a stock-condition survey, such as the 2008 Living in Wales survey<sup>26</sup>, to provide a comparison with landlord returns.
- 4.25 Welsh Government has not issued any guidance to help ensure consistency of interpretation beyond the guidance issued in 2003, 2008, case study guidance on 'acceptable fails' in 2019 and guidance on the maintenance phase and Reason Codes in 2019. From 2017, the Welsh Government has worked more closely with social landlords and brought them together in networks. Workshops<sup>27</sup> have also been held on 'acceptable fails' and WHQS feedback sessions held with housing associations and local authorities. This has been an important but informal step towards disseminating good practice and building trust with social landlords in all sectors. This research has not found any evidence that formal training or organised peer support was provided directly by Welsh Government or independently to assist landlords in interpretation of the WHQS prior to 2017.

---

<sup>25</sup> National Assembly for Wales, 2012, Public Accounts Committee, Progress in Delivering the Welsh Housing Quality Standard

<sup>26</sup> Welsh Government, 2010, Living in Wales survey: 2008

<sup>27</sup> As evidenced by WHQS Acceptable Fail workshops with landlords in 2019.

- 4.26 In 2014 Welsh Government published a report of work commissioned from independent consultants Altair<sup>28</sup>. Altair carried out research into the verification of progress in achieving the WHQS. The report examined how landlords judged and communicated that they were implementing or had implemented the WHQS in accordance with the guidance on interpretation published in July 2008, the extent of independent, external verification of compliance amongst landlords and the extent to which community benefits had been achieved by WHQS improvement programmes.
- 4.27 In its summary of findings and conclusions the Altair report (Welsh Government, 2014) described the WHQS as being about more than stock improvement, encompassing property, people, the economy and the environment. The report found this wider vision made demonstrating achievement of the WHQS, and its continuing maintenance, complex. It also found that guidance allowed landlords considerable latitude in their interpretation as they operated within their own circumstances and context, with different starting positions in relation to compliance, the condition of their stock, the availability of financial and technical resources, and other Business Plan pressures.
- 4.28 The Altair report (Welsh Government, 2014) established that the different interpretations, financial circumstances and stages in the investment cycle of each landlord were being lost in the analysis. It recommended that Welsh Government might consider splitting the results to reflect the three landlord types: Local Authorities, Large Scale Voluntary Transfer (LSVT) Housing Associations and Traditional Housing Associations. Housing Associations had to demonstrate progress towards achieving and maintaining WHQS, but local authorities did not. This changed when the Housing (Wales) Act 2014 (the Act) came into force. Part 4 of the Act conferred powers on the Welsh Government to set standards to be met by local authorities in connection with the quality of accommodation, rent and service charges for such accommodation. It could issue guidance in relation to these standards and was given intervention powers where it considered the local

---

<sup>28</sup> Welsh Government, 2014, Welsh Housing Quality Standard: Verification of progress in achieving the Standard

authority had failed or was likely to fail to meet a standard. The Welsh Government had to give a warning notice setting out the reasons why the notice has been given and the action that needed to be taken by the authority. Where a local authority had not complied with the warning notice intervention powers could be exercised. The Act introduced a materiality that for stock retained local authorities, meeting the WHQS by 2020 was a statutory requirement with sanctions to be implemented to enforce compliance.

- 4.29 In a letter to landlords in 2015<sup>29</sup>, Welsh Government officials confirmed plans to take forward the recommendations of the 2014 Altair report. It clarified the need for landlords to collect data on both primary and secondary elements to include in their annual statistical return and required all landlords to have a compliance policy in place by April 2016. This policy would in turn form part of the business planning process for all social landlords. The compliance policy was to be *'a step towards providing the Welsh Government, tenants and Boards with assurance that WHQS has been met and is being maintained.'* Welsh Government confirmed that the Policy would form the basis for an independent verification process and landlords would need to demonstrate to stakeholders that the verification process was 'independent'. It further clarified that the verification process should include:
- the annual review of the data collection procedures;
  - the maintenance of the asset management database;
  - the verification of WHQS results; and
  - random checks into the monitoring processes carried out by someone not directly involved in the delivery of WHQS through data collection, management or direct engagement in evaluated activities. It pointed out that the Altair Report (Welsh Government, 2014) highlighted a range of ways landlords were doing this, including internal audit or other staff unconnected with the delivery of WHQS, other social housing landlords or external consultants specifically instructed to carry out the process.

---

<sup>29</sup> Welsh Government, 2015, WHQS, Verification in achieving and maintaining the Standard – next steps, Letter to Chief Executives and Directors of Housing in local authorities, RSLs and LSVTs

- 4.30 The letter also confirmed that the compliance policy needed to set out how landlords planned to achieve verification and that if no system of independent checks was in place, they needed to build this into their monitoring or audit programmes.
- 4.31 Many landlords have made their compliance policies available on their websites and they appear to follow the content suggested in the 2014 Altair report. Many will be annually approved by committee, cabinet or board, and tenant consultation is likely to have taken place. Local authorities submit to Welsh Government their compliance policies as part of their MRA submission and LSVTs submit an annual WHQS report including their compliance policies. There was no evidence found as part of this project that housing associations were required to submit their compliance policies until 2020.
- 4.32 A number of local authorities and housing associations have also issued certificates to each new tenant to advise on their property's WHQS status. In the 2014 report, Altair recommended tenants were given a certificate along with their Energy Performance Certificate (EPC) at every reletting, and the Welsh Government required social landlords to do this in 2015. However, the research team did not find evidence that any formal monitoring of this activity has taken place.
- 4.33 On verification, the Altair Report (2014) summarised the results of its survey:  
*'...11 Local Authorities were asked (November 2012) to evidence WHQS compliance verification. Five landlords confirmed that this had been done. The Housing Associations have not been asked to do this by the Regulator. Five of the LSVT landlords are providing some verification of their WHQS progress as part of their post-transfer promises. Twelve Traditional Housing Associations said they also undertook external verification. In the follow-up answers, of those that said "yes" to undertaking external verification, 11 landlords had used their own staff. Landlords requested greater clarification of the words 'independent' and 'verification'. Landlords expressed concern about the cost of undertaking more [physical] surveys.'* (Welsh Government, 2014)
- 4.34 It is not clear how social landlords procured their independent verification. There appears to have been no guidance from Welsh Government on how much of this

verification activity there should be. No data appears to have been collected on this activity by Welsh Government. However, in 2020, shortly before Welsh Government held workshops on the WHQS with landlords there was a request for compliance policies to be submitted. The results of this exercise have not yet been published.

### **Environmental standards**

- 4.35 The WHQS includes an environmental standard which challenges landlords to have homes located in an environment to which residents can relate and in which they can be proud to live. Its achievement and monitoring have been one of the least clear areas of the WHQS for landlords. In 2007, the Welsh Government commissioned TPAS Cymru and Groundwork Wales<sup>30</sup> to examine how landlords were interpreting the environmental requirements. They found that many landlords were taking a narrow and technical view of the requirements. TPAS Cymru and Groundwork Wales provided guidance outlining a process by which landlords should consult tenants to establish priorities for the environment in which homes are located.
- 4.36 The Auditor General for Wales' report (2012) noted that the achievement of the WHQS environmental standards had been given limited priority, partly due to a lack of clarity. In 2018, Welsh Government held discussions at meetings with local authorities on the environmental standards. These highlighted a variety of concerns and solutions which had been adopted to resolve them.

### **Emerging climate change agenda**

- 4.37 In 2008, the Ministerial Task and Finish Group on Affordable Housing recommended that the contribution that the WHQS could make to the climate change agenda should be reassessed. The Welsh Government's subsequent 2010 strategy 'Improving Lives and Communities' referred to the WHQS being reviewed to see whether more could be done to support action on fuel poverty, health and climate change. However, landlords had expressed concerns about the impact of any changes on their current business plans. TPAS Cymru commented at the time

---

<sup>30</sup> TPAS Cymru & Groundwork Wales, 2008, Scope and Implementation of the WHQS Environmental Standard

that they 'would love to see the WHQS having a higher energy efficiency standard' with the caveat that delivering such 'comes back to finance'.<sup>31</sup>

### **Value for money**

- 4.38 The Auditor General for Wales' 2012 report noted that the Welsh Government did not put in place an effective framework to demonstrate 'value for money' from investment in achieving the WHQS. That said, Welsh Government has implemented monitoring of the level of WHQS investment and capital funding. The MRA and Dowry funding is based on WHQS reports to the government and annual Housing Revenue Account business plans which sanction capital funding distribution using ministerial approval.
- 4.39 MRA funding is a capital grant provided to local authorities to support WHQS programmes and is recalculated annually. The Dowry payments, which are made to LSVTs, are fixed in the agreements negotiated at the point of stock transfer and are gap funding to meet the shortfall in business plans at the time.
- 4.40 One of the main difficulties that local authorities faced in funding WHQS was the Housing Revenue Account Subsidy system (HRAS). The Auditor General for Wales' report<sup>32</sup> and the PAC Report referred to the anticipated reform of the system at the time of their reports in 2012.<sup>33</sup> There were ongoing concerns at the substantial transfers from local government in Wales to HM Treasury, via the Welsh Government, as a result of this system. These amounted to some £73.0 million per annum<sup>34</sup>. The 2016 Cabinet statement by Carl Sargeant, the then Cabinet Secretary for Communities and Children, examining the progress of the WHQS, stated that there was £108.0 million of capital investment committed on an annual basis. In 2015 the Welsh Government made clear all social landlords were expected to use the Value Wales Measurement Tool<sup>35</sup> to measure the extent of community benefits. As of 6<sup>th</sup> October 2016, the Measurement Tool had tracked contracts worth £452.0

---

<sup>31</sup> National Assembly for Wales, Public Accounts Committee, 2012, Progress in Delivering the Welsh Housing Quality Standard

<sup>32</sup> Auditor General for Wales, 2012, Progress in delivering the Welsh Housing Quality Standard, Wales Audit Office

<sup>33</sup> National Assembly for Wales, Public Accounts Committee, 2012, Progress in Delivering the Welsh Housing Quality Standard

<sup>34</sup> All figures over £1 million rounded to one decimal place.

<sup>35</sup> Welsh Government, 2014, Community benefits, Delivering Maximum Value for the Welsh Pound

million relating to the WHQS, seen 85% of that expenditure re-invested in Wales and provided wider economic stability helping over 777 people into employment or training and provided the equivalent of 19,920 weeks of training<sup>36</sup>. This investment has continued since then in, for example, kitchen replacement programmes, external wall insulation programmes and re-roofing.

- 4.41 Recent financial year estimates for 2020/21 show funding for WHQS allocated to the eleven-stock retaining local authorities equated to £60.4 million per annum, with funding to ten housing associations amounting to £43.8 million – totalling capital funding of £104.2 million.
- 4.42 The total forecast cost of meeting and maintaining the Welsh Housing Quality Standard in local authority housing was approximately £3.3bn over 30 years. This represented an average cost per dwelling of £23,000 to 2035<sup>37</sup>.
- 4.43 It appears that value for money has not been the focus of any of the monitoring by Welsh Government. The Wales Audit Office has looked at value for money in procurement of WHQS improvements by some of the local authorities it has reviewed,<sup>38</sup> noting that published reviews have demonstrated through independent review and cost comparisons of procurement approaches, achievement of value for money to the Wales Audit Office.

### **Sanctions for non-compliance**

- 4.44 It is difficult to know the extent to which non-compliance has met with serious sanctions. Both the MRA and Dowry funding was determined through the annual submissions of landlords and these would have set out what works were required to meet WHQS and the associated costs of compliance. In 2015 the Welsh Government explained that it had powers conferred on it by the Housing (Wales) Act 2014, but the research team found no evidence that these have been used to date. These powers effectively allow Welsh Government to intervene in the affairs of social landlords in relation to the standards of their homes.

---

<sup>36</sup> Welsh Government, 2014, Community benefits, Delivering Maximum Value for the Welsh Pound

<sup>37</sup> Welsh Government, 2005, Welsh Housing Quality Standard and Social Housing Renewal, Social Justice and Regeneration Research Report SJRRR 4/05

<sup>38</sup> These reports can be found on the publications section of the [Audit Wales Website](#).



## Experience of other jurisdictions

- 4.45 As comparison for the evolution and scope of WHQS, a review of the approach taken to standards in social rented housing across the other three jurisdictions in the UK has been undertaken (i.e. England, Northern Ireland and Scotland). There are a number of common themes – not least that in the three UK comparators, standards for social rented housing were introduced in the early 2000s in response to concerns that housing standards in the sector were unacceptably low, with no metric to ‘measure’ the performance of individual landlords. Details of the standards in operation and their evolution are summarised in Annex A.
- 4.46 The comparison with the other UK jurisdictions also shows that the introduction of a new set of standards proved initially difficult to attain within the original timescale but have been broadly achieved by c2020. All the UK jurisdictions have started a review of the standards but none has yet to publish a draft of how these might be amended.
- 4.47 The current standards follow a similar narrative with an emphasis on safety of the home, state of repair and modernity of facilities but with differences in emphasis. A comprehensive technical comparison of the standards has not been undertaken as it would require detailed research beyond the scope of this review. However, we note comments at recent landlord workshops (held by Welsh Government) that the WHQS is a more demanding standard than found in the other jurisdictions and also a comment from the Wales Audit Office<sup>39</sup> in 2012 (since when the standards have not been significantly amended) which undertook its own comparison and concluded that:

*“The Decent Homes Standard and the Scottish Housing Quality Standard are also less demanding in some of their detailed requirements, for example, the energy efficiency rating required is lower in England, Northern Ireland and Scotland. As a further example, the WHQS requires kitchens less than 15 years old or in good condition, whereas Decent Homes suggests a 20-year lifespan for kitchens. There*

---

<sup>39</sup> Noting that the Auditor General for Wales and his/her staff together comprise the Wales Audit Office

*are also differences in terms of how compliance with the different standards is measured.”<sup>40</sup>*

- 4.48 In terms of measurement of the standards, the key differences appear to be that WHQS requires a property to meet all 42 elements to comply with the WHQS (taking into account ‘acceptable fails’) but the Decent Homes standard for England is less demanding. For example, in terms of modernity of its facilities, a property is said to fail to meet the Decent Homes standard if it lacks three or more of six listed facilities<sup>41</sup>.
- 4.49 These examples of the standards operating across the jurisdictions indicate that there are meaningful differences and it would be unreliable to compare progress in each jurisdiction on the basis simply of achieving the standard of that jurisdiction. However, the greater stringency of the WHQS compared to the standards in the three other UK administrations does suggest that the WHQS is likely to be harder to achieve for social landlords in Wales than the standards elsewhere in the UK.

---

<sup>40</sup> Auditor General for Wales, 2012, Progress in delivering the Welsh Housing Quality Standard, Wales Audit Office

<sup>41</sup> Department for Communities and Local Government, 2008, Decent Home: Definition and guidance for implementation, Update.

## 5. Data reporting, management and compliance

### Summary

- Improving WHQS data standards and investing in the associated infrastructure to support effective data collection, monitoring and evaluation has proven pivotal to driving up the quality of social housing provision within Wales.
- Previous to 2011, WHQS data capture and the monitoring of compliance was *ad hoc*, with progress towards meeting the WHQS initially slow. More effective monitoring and evaluation since then has in turn driven WHQS compliance levels.
- The 2004 Living in Wales property survey estimated that 0.8% of all social housing met the WHQS (Welsh Government, 2005). The 2008 survey found that only 6% of social housing met the standard.
- Overall compliance with the WHQS has increased steadily year-on-year between 2012 and 2019. When including 'acceptable fails', 93% of all social housing stock in Wales had achieved WHQS at the end of March 2019.
- 6.9% of stock remained non-compliant with WHQS. The greatest scope for further targeted improvement would appear to be energy performance.

5.1 The data for this section has been sourced via the StatsWales official website as at 1<sup>st</sup> February 2021. The official data and subsequent contextualisation and interpretation is premised on a series of published and unpublished reports, documented feedback from local authority (LA) and housing association or registered social landlord (RSL) workshops undertaken in May and June 2020. The secondary data capture has been complemented with interviews and discussions with Knowledge and Analytical Services and the Homes and Places Division within Welsh Government. The analysis evaluates WHQS compliance levels across the period 2011-12 to 2018-19.

### Data monitoring and reporting guidance

5.2 Up to 2011-12 there were severe misgivings regarding the official statistics and reporting and monitoring in relation to WHQS compliance. Numerous reports and

evaluations of the WHQS recommended the need for a range of landlord monitoring, improved data collection and consistency in interpretation and reporting of compliance. These have been highlighted in earlier sections of this report.

- 5.3 Previous to the introduction of the more formal reporting and monitoring of the WHQS by Welsh Government, and production of official statistics in 2011/12, there was periodic data collection and analysis for measuring progress of the WHQS. A monitoring exercise with social landlords was carried out by the Welsh Assembly Government in 2011 into the performance of housing associations and local authorities in working towards achieving the Welsh Housing Quality Standard.
- 5.4 In early 2010 the Welsh Assembly Government decided to take a collaborative approach to the monitoring exercise and convened a Task and Finish Group to consider the most effective approach to collecting data on progress made by housing associations and local authorities in meeting the standard.
- 5.5 As a result of the work of the Task and Finish Group, agreement on a methodology for data collection that was sufficiently robust but also uncomplicated was reached. Social landlords completed monitoring returns based on the agreed methodology and submitted them to the Assembly Government in September 2010. The monitoring return was designed to establish the level of compliance with the Welsh Housing Quality Standard.
- 5.6 From 2011, the quality of data provision has improved markedly as a result of the Welsh Government introducing additional monitoring and data collection procedures, enhanced guidance, and data quality reporting<sup>42</sup>. There have also been attempts to clarify interpretation of the WHQS using a series of workshops with landlords to help improve understanding and interpretation of the WHQS process, procedures and classifications.
- 5.7 The enhanced guidance, improved transparency and increased communication between Welsh Government and data providers has been designed with the

---

<sup>42</sup> Such as the Welsh Housing Quality Standard: Quality report. Welsh Housing Quality Standard Statistical Returns Guidance. Welsh Housing Quality Standard (WHQS) Annual Monitoring Report 2019/20. WHQS and MRA Monitoring Packs

intention of improving data quality and enhancing consistency of interpretation. Workshops on various aspects of WHQS have been well attended by RSLs and local authorities, with extremely positive feedback about the enhanced levels of communication and improved transparency.

### **Data reporting process**

- 5.8 More official annual data collection was introduced in 2012 in order to monitor the progress made by all social landlords (local authorities and RSLs) in achieving the WHQS for all their stock.
- 5.9 In addition to the annual WHQS statistical bulletins, the Welsh Government also publishes a WHQS quality report to measure progress towards the achievement of the well-being goals and the WHQS.
- 5.10 The data collection is premised on annual statistical returns completed by local authorities and RSLs with accompanying guidance to allow for timely completion. The Welsh Government undertake validation and cross checking to ensure data consistency and verification. They also provide landlords an opportunity to include contextual information for reporting data items changing significantly (>10%).
- 5.11 There is a transparent process to ensure the information provided is accurate and on a consistent basis with validation error culminating in discussions with the respective local authorities or RSLs to achieve resolution.<sup>43</sup>
- 5.12 The Welsh Government has provided an accompanying quality report<sup>44</sup> which provides helpful guidance to statistical producers about the practices in order to maintain the quality of the data.
- 5.13 The Welsh Government have also initiated a monitoring protocol providing each respective landlord with insights into the data and statistics using a data and risk-based approach to reflect the proximity to the deadline and the risks to non-delivery. This is provided to all social landlords as a data pack which provides a review of

---

<sup>43</sup> All statistics that are prepared adhere to recognised professional standards and in accordance with the Code of Practice for Statistics and quality assurance and Administrative Data Quality Assurance scored against the UK Statistics Authority Administrative Data Quality Assurance matrix.

<sup>44</sup> Welsh Government, 2019, Welsh Housing Quality Standard: Quality Report

their performance in relation to the WHQS and also comparative data for 'benchmarking' compliance and 'acceptable fails'.

### **'Acceptable fails'**

- 5.14 In 2008, the Welsh Government introduced the concept of an 'acceptable fail', relating to circumstances where it is either impossible or not cost effective for a property to be brought up to the WHQS or where a tenant chooses not to have the work to meet the WHQS carried out.
- 5.15 Anecdotal evidence from discussions with Welsh Government and landlords illustrate that 'acceptable fails' have historically been a debated aspect of the WHQS with no changes to the WHQS standard permissible by the Welsh Government in the formative years. This introduced major challenges in relation to older properties, many of which were in challenging locations (the South Wales Valleys, North Wales, rural counties etc.) with a history of underinvestment.
- 5.16 The Welsh Government's revised 2008 guidance on the WHQS stated that landlords should record all cases of 'acceptable fails' so that future works could be appropriately planned and managed. The introduction of 'acceptable fails' was a compromise accepted by Welsh Government and the wider sector.
- 5.17 The Auditor General's report (2012) noted that few landlords were able to provide the Welsh Government with detailed data on the application of the 'acceptable fail' criteria and feedback from landlords indicated that there was not a clear and consistent understanding amongst landlords of how 'acceptable fails' should be interpreted and recorded.
- 5.18 The Welsh Government has in recent years provided enhanced levels of clarification and guidance on 'acceptable fail' classification, and the benefits of this guidance are borne out in the data; with local authorities for example exhibiting heightened numbers of 'acceptable fails' particularly in terms of kitchen and bathroom compliance classification from 2014 onwards.
- 5.19 The Welsh Government acknowledged that 'acceptable fails' were considered to be a growing risk for the programme and were monitoring and working towards clearer and more consistent understanding of how 'acceptable fails' are assessed.

5.20 The Welsh Government has continued to monitor 'acceptable fails' in terms of reasonableness, and to improve data quality, the Welsh Government provides advice for establishing a fair and consistent reflection using the reason codes 'cost of remedy' and 'timing of remedy', which are treated as 'acceptable fails' to mitigate moving in and out of overall compliance at an organisation level.

### **WHQS data review and context**

5.21 The 2004 Living in Wales property survey<sup>45</sup> estimated that 0.8% of all social housing met the WHQS. The Survey found that 2.7% of Housing Association homes met the WHQS, with no local authority stock achieving the WHQS. The Living in Wales property survey carried out in 2008 found that only 6% of social housing met the standard.<sup>46</sup>

5.22 The report, Measuring progress in improving social housing in Wales (Revised) March (2011), found that the average housing association housing stock compliance for the WHQS in 2009/10 equated to 35%. In terms of local authority housing stock, average compliance in 2009/10 was 15%.

5.23 Based on officially reported figures from StatsWales commencing in 2011/12, local authority housing stock constituted 21.6% with RSLs showing 39.9% compliance.

5.24 The overall percentage of compliance (PoC) with WHQS has increased steadily year-on-year between 2012 and 2019 (see Figure 5.1). The average annual growth rate of compliance is 11.23% during the 7-year period with the most significant increase observed during 2012-2013. As at the end of March 2019, 68.7% of social housing stock was fully compliant with WHQS<sup>47</sup> compared to 32.6% fully compliant stock in 2012. In pure number terms, 155,938 of the total social housing stock portfolio of 227,083 achieved full levels of compliance in March 2019.

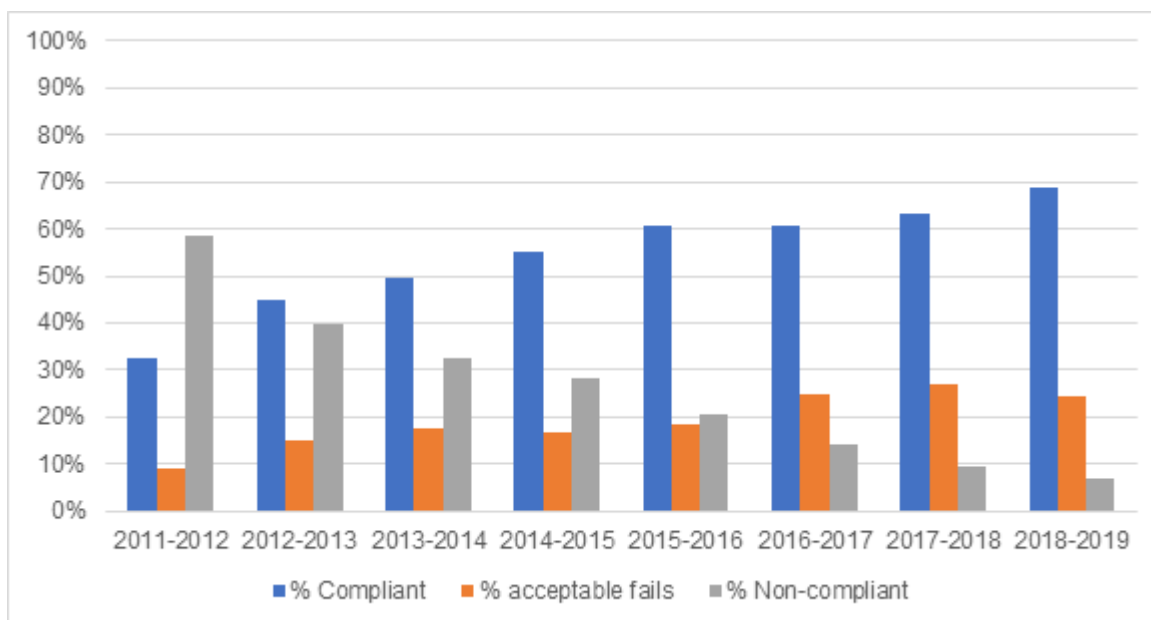
---

<sup>45</sup> The Data Unit, 2004, Living in Wales, 2004 Survey, Property Survey Technical Report Research Study Conducted for The Data Unit, March - October 2004. UK Data Archive Study Number 7201

<sup>46</sup> Welsh Government, 2010, Living in Wales survey: 2008

<sup>47</sup> Full compliance refers to dwellings where the WHQS standard is achieved for all individual elements.

**Figure 5.1 Percentage compliance, 'acceptable fails' and non-compliance (2011-2019)**



*Source: Author's calculations based on data from StatsWales.*

- 5.25 The percentage of 'acceptable fails' for all building components has been growing considerably over the period of 2011 to 2019 for stocks managed by both local authorities and RSLs. The former has seen a more marked increase in the percentage, from 1.65% to 26.08%, over the 8-year period. This is to be anticipated given that local authorities started with a more significant portfolio of non-compliant stock and acceptable fails will increase throughout the work programme.
- 5.26 As at the end of March 2019, a further 24.5% of social housing stock were compliant subject to 'acceptable fails'. When the 'acceptable fails' are aggregated with the fully compliant stock it means that just over 93% (211,493 units) of all social housing stock in Wales had achieved WHQS at the end of March 2019.
- 5.27 Based on the March 2019 figures, 6.9% of stock (15,590 units) remained non-compliant with WHQS. While not an insignificant number it should be noted that 58.5% of social housing stock was deemed non-compliant at the end of March 2012. This serves to illustrate the sizeable shift in compliance – although clearly improved guidance around 'acceptable fails' criteria across the time series has



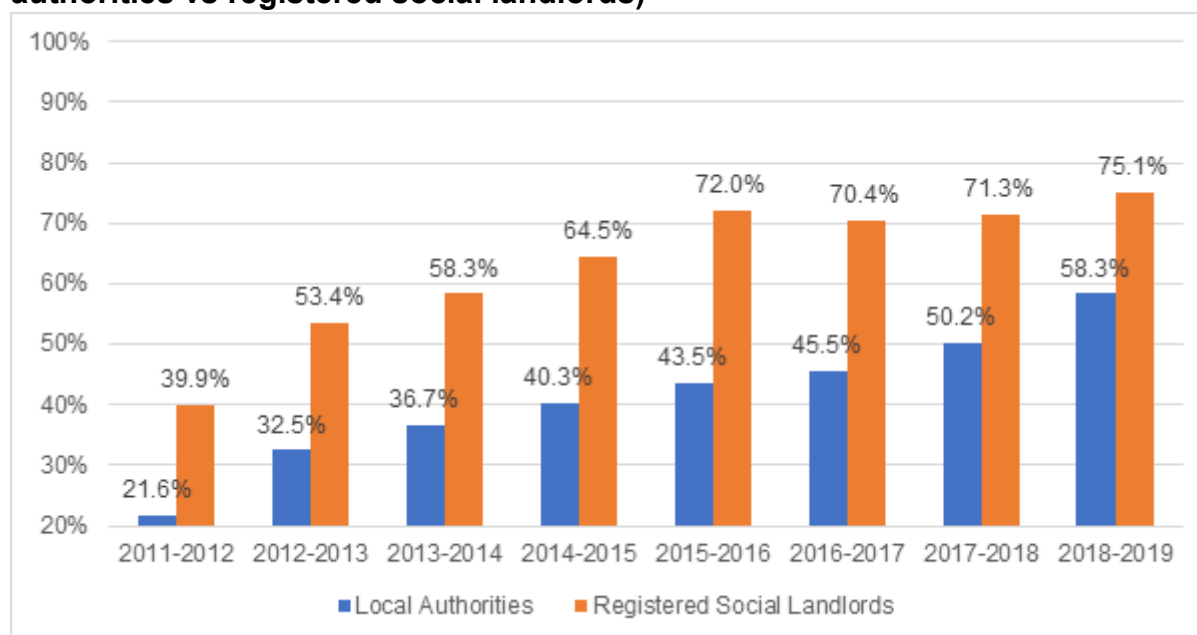
resulted in a number of properties previously categorised as non-compliant to transition into the 'compliant premised on 'acceptable fail'' classification.

- 5.28 Levels of non-compliance is greatest amongst local authority portfolios with 15.6% (13,629 units) of stock still not conforming to WHQS at the end of March 2019. By way of contrast 1.4% of total RSL stock remained non-compliant at the end of March 2019. Overall, it is clear that there has been marked progress on addressing non-compliant stock levels, given that the level of non-compliant stock stood at 58.5% in the base data year 2011-12 comprising 77% of overall local authority stock and 46% of total RSL stock.

### **WHQS Compliance Analysis by Housing Provider Type**

- 5.29 RSLs have consistently exhibited higher levels of WHQS compliance than their local authority counterparts (see Figure 5.2). Albeit as highlighted in the previous section, RSLs did have a higher volume of fully compliant stock at base year 2011-12. Achieving full compliance levels across the local authorities has proven to be a more protracted journey of transformation. Nonetheless, the overall levels of compliance growth over the time series shows that local authorities have been as active in achieving compliance within their stock. Local authorities have seen an increase in compliance of 36.7%, with RSLs showing 35.3%.

**Figure 5.2 WHQS compliance as a percentage of overall stock (local authorities vs registered social landlords)**



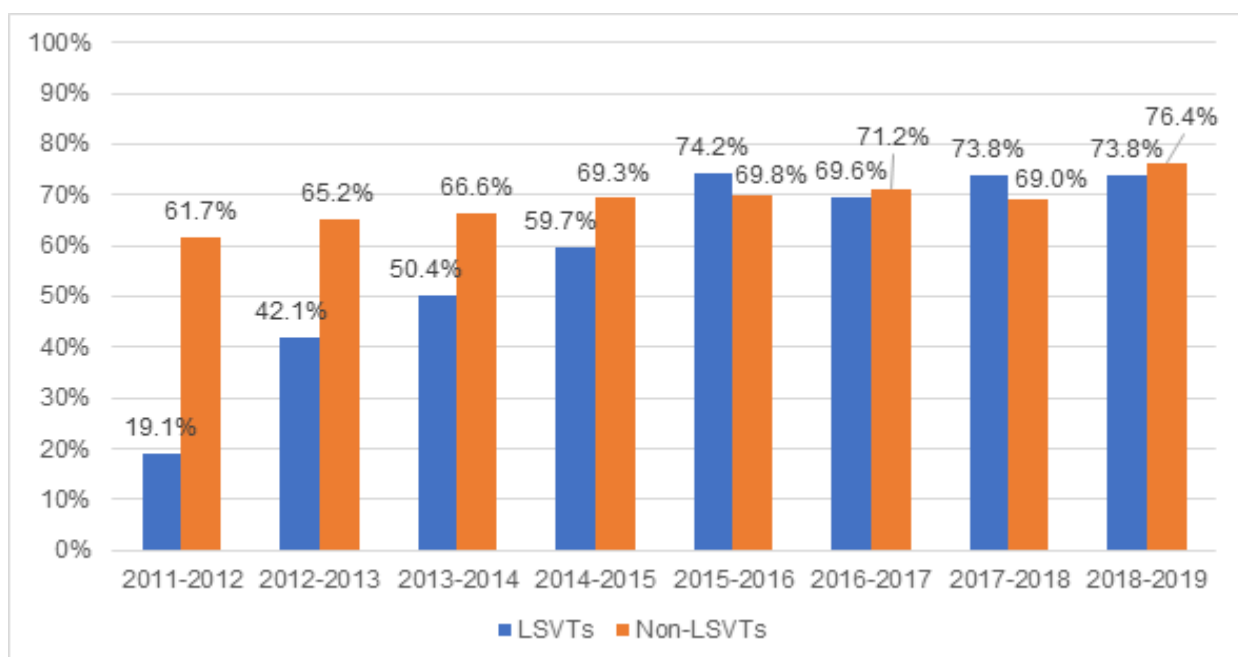
*Source: Author's calculations based on data from StatsWales.*

- 5.30 Amongst local authorities, rates of overall compliance ranged widely, from 35.6% to 90.3% compliance with the WHQS at the end of March 2019<sup>48</sup>. This divergence in compliance can be attributed to a number of factors, including variations in commencement dates amongst the local authorities as a consequence of stock transfers, tenant's acceptance and political will, cited as reasons for the delay in some local authorities increasing rates of compliance with the WHQS<sup>49</sup>.
- 5.31 Historically, non-LSVTs exhibited a larger percentage of compliance than that of LSVTs, consistently above 60% over the investigation period. LSVTs achieved significant improvement in their compliance level with the percentage surging from 19.13% in 2012 to 73.81% in 2019 (Figure 5.3).

<sup>48</sup> Based on data to end of March 2019

<sup>49</sup> Based on discussions with Welsh Government

**Figure 5.3 Historical percentage of compliance: LSVTs vs Non-LSVTs**



*Source: Authors' calculations based on data from StatsWales.*

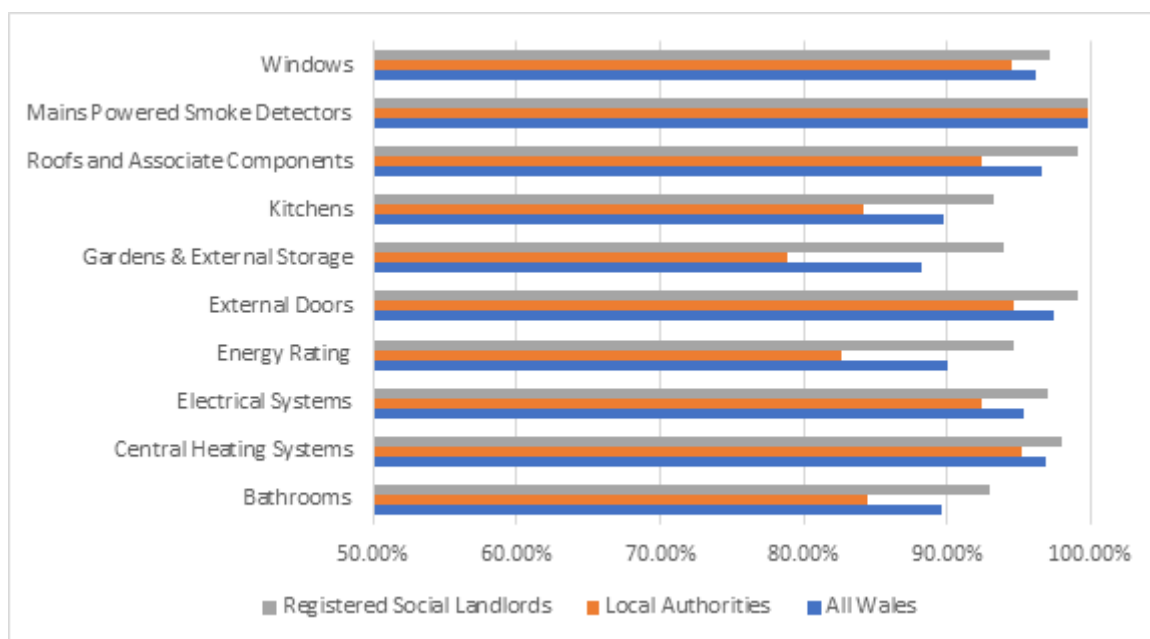
### **WHQS compliance across individual building components**

- 5.32 Exploration of WHQS compliance across the various building components affords some meaningful insights into the response strategies of RSLs and local authorities<sup>50</sup>.
- 5.33 Additionally, exploration of individual component compliance affords better understanding of renovation works. This includes how capital works attributable to WHQS compliance are aligned relative to the conventional renovation and maintenance cycles and how factors such as capital cost of the associated retrofit action seemingly plays a part in the WHQS compliance timeline.
- 5.34 Mains Powered Smoke Detectors show the highest levels of compliance (99.8%) as at the end of March 2019, followed by External Doors (97.4%) and Central Heating Systems (96.9%). Gardens & External Storage and Bathrooms exhibit the lowest degree of compliance, both below 90% (see Figure 5.4).

<sup>50</sup> WHQS conformance of individual property components are reviewed relative to ten specific components namely: Bathrooms, Kitchens, Windows, External Doors, Mains Powered Smoke Detectors, Roofs and associated components, Electrical Systems, Central Heating System, Energy Rating, Gardens and External Storage.

5.35 As stated above in paragraph 5.26, the overall rate of compliance with the WHQS for social housing in Wales was approximately 93% in March 2019, when acceptable fails are included. There are differences in levels of compliance with the WHQS of local authorities and RSLs, with RSLs generally having a higher level of compliance, particularly in respect of Gardens & External Storage (78.9% vs 88.2%) and Energy Rating (82.6% vs 90.1%) (Figure 5.4). This may be explained by the different governance requirements of the different types of organisation, differences in the original state of the stock, and other mitigating factors. It should also be noted that the gap between the two types of landlord has consistently narrowed between 2013 and 2019<sup>51</sup>, suggesting that initial challenges faced by local authorities are being overcome.

**Figure 5.4 WHQS compliance by building component**



Source: Author's calculations from data derived from StatsWales.

Notes: as at March 2019. All Wales refers to the average for all social landlords. LSVTs are included under RSLs.

5.36 It is noteworthy that the compliance levels of Bathroom (+27%), Kitchen (+22%), Electrical Systems (+19%), and, to a lesser extent, Energy Rating (+17%) have

<sup>51</sup> Welsh Government, 2019, Welsh Housing Quality Standard, as at 31 March 2019 Statistical First Release

increased substantially over the 7-year period in Wales. The same observation holds when local authorities and RSLs are examined separately (Figure 5.5).

**Figure 5.5 Compliance of various building components (As at March 2012)**



*Source: Author's calculations from data derived from StatsWales.*

*Notes: as at March 2019. LSVTs are included under RSLs.*

- 5.37 Moving forward, the greatest scope for further targeted improvement would appear to be energy performance with data as at the end of March 2019 indicating that circa 10% of all housing social housing stock in Wales remains uncompliant with existing WHQS 'Energy rating'. The challenge of improving energy performance is most acute within the local authority portfolios where circa 17% of stock failed to comply with WHQS.
- 5.38 External Garden and Storage provision appears to be the most problematic of the standards from an attainment viewpoint. Based on the data to the end of March 2019, 88% of all social housing stock achieved WHQS compliance. However, within the local authority held portfolios the overall level of compliance was considerably lower at 79% meaning that 21% of local authority stock failed to attain WHQS for this component.

- 5.39 Evidence from participants in this research has highlighted that the majority of local authorities have consulted with tenants about the order in which work was undertaken and as a result internal work was prioritised<sup>52</sup>.
- 5.40 Those local authorities still working towards compliance of External Garden and Storage provision have also faced challenges which has impacted upon the compliance deadline including lack of suitably qualified contractors. Nonetheless it is anticipated that compliance will have increased as external works have been able to continue throughout the Pandemic, as resource has been redirected to these areas amid social distancing restrictions and the inability to undertake internal programmes of work.
- 5.41 It is apparent from the data analysis that the WHQS has played a fundamentally important role in improving overall housing quality in Wales. Table 5.1 depicts the levels of compliance with WHQS from the period 2011/12 through to 2018/19.

---

<sup>52</sup> It should be noted that the findings have not been triangulated or tested beyond the research participants.

**Table 5.1 Increase in WHQS compliance 2011/12 – 2018/19\***

<b>Component</b>	<b>All</b>	<b>LAs</b>	<b>RSLs</b>
Bathrooms	28.5%	25.2%	30.5%
Central Heating Systems	20.0%	25.9%	16.1%
Electrical Systems	20.1%	17.7%	21.6%
Energy Rating	18.1%	12.5%	21.6%
External Doors	7.8%	5.3%	9.3%
Gardens & External Storage	15.8%	7.6%	20.8%
Kitchens	29.6%	34.9%	25.9%
Roofs and Associate Components	8.1%	8.1%	8.0%
Mains Powered Smoke Detectors	8.3%	9.9%	7.3%
Windows	3.4%	-1.6%	6.6%

*Source: Author's calculations based on data from StatsWales*

*Table notes: \*Expressed as a % of overall stock holdings.*

- 5.42 The data in Table 5.1 illustrates the significant progress that has been made in making kitchen and bathroom stock WHQS compliant over the eight-year time series. Of the overall social housing stock, WHQS compliance for kitchens and bathrooms has increased by 29.6% and 28.5% respectively at the end of March 2019 compared to the end of March 2012. Other noteworthy progress towards WHQS over the time series was witnessed in central heating systems, electrical systems and to a lesser extent energy rating.
- 5.43 According to the most recent figures (2018-2019), at the aggregate level, bathrooms, kitchens and energy rating systems have seen the highest levels of 'acceptable fails', posting percentages of 9.61%, 9.47% and 8.22% respectively. On the other hand, smoke detectors, roofs and windows have shown the lowest percentage of fails over the same period (Table 5.2).

**Table 5.2: Percentage of ‘acceptable fails’ (2018-2019)**

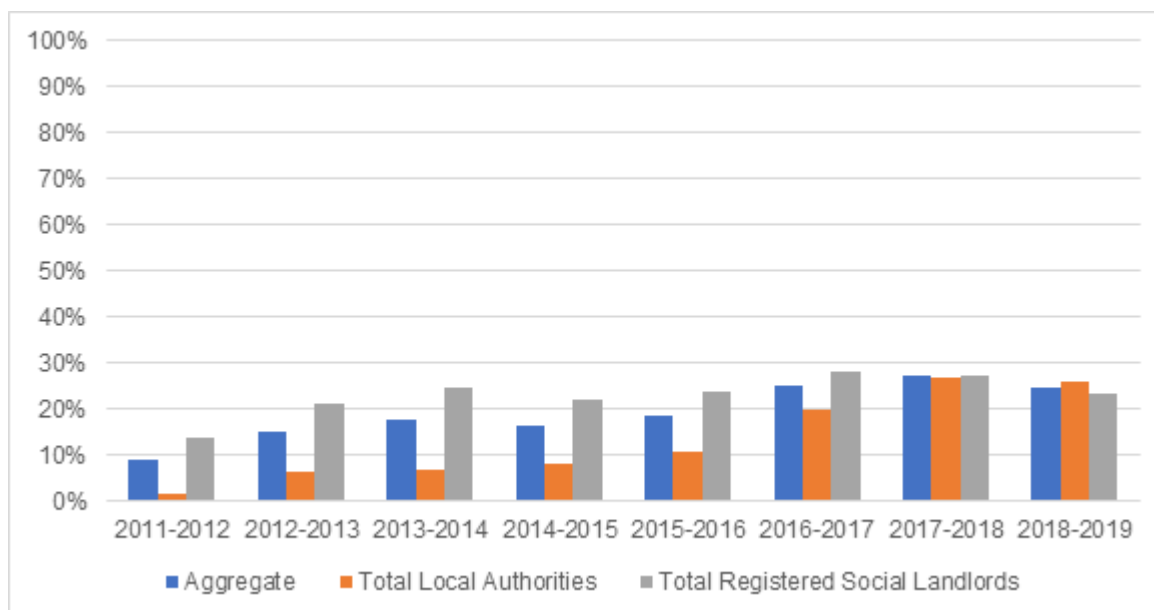
	Aggregate		Total Local Authorities		Total RSLs	
	Number	Percentage	Number	Percentage	Number	Percentage
All	55,555	24.46%	22,757	26.08%	32,798	23.45%
Bathrooms	21,820	9.61%	11,916	13.66%	9,904	7.08%
Cent. Heating Systems	4,712	2.08%	2,045	2.34%	2,667	1.91%
Electrical Systems	6,186	2.72%	3,470	3.98%	2,716	1.94%
Energy Rating Systems	18,666	8.22%	11,254	12.90%	7,412	5.30%
External Doors	1,452	0.64%	254	0.29%	1,198	0.86%
Gardens and Storage	17,085	7.52%	8,736	10.01%	8,349	5.97%
Kitchens	21,497	9.47%	12,155	13.93%	9,342	6.68%
Roofs	1,684	0.74%	506	0.58%	1,178	0.84%
Smoke Detectors	427	0.19%	172	0.20%	255	0.18%
Windows	4,415	1.94%	384	0.44%	4,031	2.88%

*Source: Author’s calculations based on data from StatsWales.*

5.44 Local authorities have displayed a significant increase in the percentage of ‘acceptable fails’ for a number of housing components over the period of 2011 – 2019 (Figure 5.6), including bathrooms (from 3.04% to 13.66%), energy rating systems (from 0.66% to 12.9%), gardens and external storages (from 2.19% to 10.01%) and kitchens (from 3.08% to 13.93%).



**Figure 5.6 Percentage of ‘acceptable fails’ (all building components)**

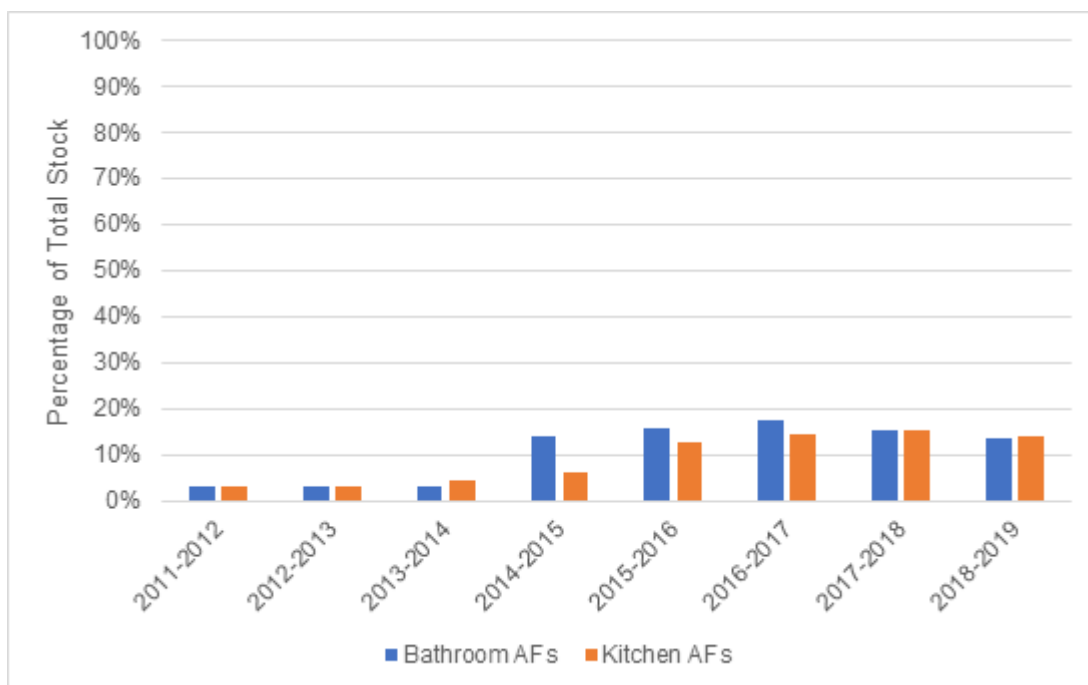


*Source: Author’s calculations based on data from StatsWales.*

*Notes: \*Expressed as a percentage of all stock*

- 5.45 Bathrooms and kitchens exhibit the highest percentage of growth in ‘acceptable fails’ classification amongst local authorities over the eight-year time period of 2011/12 – 2018/2019 (Figure 5.7). It would appear that the maintenance cycle and ‘tenant choice’ combine to contribute to the high levels of ‘acceptable fails’ categorisation within the Kitchen and Bathroom components.
- 5.46 By contrast, some building components, including external doors, roofs, smoke detectors and windows, have displayed relatively low percentage of ‘acceptable fails’ (below 3.0%) throughout the investigation period.

**Figure 5.7: Local authorities ‘acceptable fails’ for bathroom and kitchen components**



*Source: Author's calculations based on data from StatsWales*

### **Capital expenditure and WHQS compliance**

- 5.47 The Welsh Government introduced new criteria for the MRA in 2008, which stated that local authorities had to have a viable business plan to meet and maintain the WHQS, or to be otherwise committed to working with the Welsh Government to ensure the best use of available resources or ‘Value for Money’ – although there is no value for money framework or information around how this should be benchmarked.
- 5.48 Value for money (VfM) is an area which remains relatively unknown with respect to the WHQS. There is limited evidence available to link capital expenditure and WHQS achievement with VfM.
- 5.49 Welsh Government has also implemented monitoring of the level of WHQS investment and capital funding. The MRA and Dowry funding is based on WHQS reports to the Welsh Government and annual Housing Revenue Account (HRA) business plans which sanction capital funding distribution using ministerial approval.

- 5.50 The Welsh Government contribution to capital expenditure across all local authority areas from the financial year 2004/05 to 2020/21 amounts to £1.7 billion. This is broken down to MRA funding of £1.2 billion with the Dowry funding being £506 million.
- 5.51 Total spend on the WHQS by local authorities between 2016/17 to 2019/20 equated to £900.2 million. In the same period, total MRA funding amounted to £241.6 million or 27% of all WHQS expenditure between 2016/17 and 2019/20.
- 5.52 Recent financial year estimates for 2020/21<sup>53</sup> show funding allocated to eleven local authorities equated to £60.4 million, with funding to ten housing associations amounting to £43.8 million, totalling capital funding of £104.2 million.
- 5.53 Analysis of the level of funding appears to have had a significant positive impact on compliance based on the time series and cross-sectional data of the local authorities (correlation coefficients of 88.81% for the aggregate time series data). This implies that there is a high association between compliance and the level of funding commitment over the duration of the programme where statistical evidence is available.

---

<sup>53</sup> Provided by Welsh Government.

## 6. Outcomes and impact

### Summary

- The majority of tenants consider the standards by which social homes are measured to be very important – however, many tenants have not heard of the WHQS.
- Benefits for tenants of meeting the WHQS include better health outcomes and reductions in fuel poverty with wider benefits, such as training, apprenticeships and employment achieved at the local level.
- Recent feedback from landlords highlighted the success for themselves and stakeholders of achieving WHQS but with diverse views about how the WHQS might change in the future. However, consideration of provision of floor coverings, enhanced digital connectivity and tackling decarbonisation were elements that Welsh Government should consider in taking forward WHQS 2.0.

### Tenants' perspectives

- 6.1 The Auditor General for Wales' 2012 report recommended that the Welsh Government should encourage all landlords to report to individual tenants whether their home was deemed to comply with the WHQS and, if not, to indicate a timetable for improvement. At the time CHC observed that this terminology did not lend itself to proper accountability and indicated that there was a need to assist landlords in communicating effectively with tenants, particularly as tenants' choices on whether or not they wanted updates to their properties to take place was an integral element to the 'acceptable fail' criteria.
- 6.2 In 2021 the Welsh Government published the results of research into the attitudes of social housing tenants to the WHQS<sup>54</sup>. In relation to awareness, it found that 44% of respondents reported that they had not heard of the WHQS, with 17.5% of tenants reporting a quite good or very good understanding of the standard.
- 6.3 For the criteria against which social housing is measured, the research found that:

---

<sup>54</sup> Welsh Government, 2021, Welsh Housing Quality Standard: Tenants' Survey

*'All of the seven WHQS criteria against which social homes are measured (in a good state of repair; safe and secure; adequately heated, fuel efficient and well insulated; containing up-to-date kitchens and bathrooms; well managed; located in attractive and safe environments; and as far as possible suiting the specific requirements of the household) were rated by a large majority of respondents as being very important'.<sup>55</sup>*

- 6.4 A large majority of respondents reported that they would be happy or very happy for both minor and substantial works to be carried out in their home for the purpose of improving fuel efficiency.
- 6.5 It is also clear from the reports by the Wales Audit Office (on for example Anglesey, Powys, Flintshire in 2018<sup>56</sup>) into service user perspectives that tenant involvement, engagement and satisfaction with WHQS programmes has been generally positive.
- 6.6 Reports on the subject of health and welfare and how the condition and quality of housing affect these have demonstrated that improved housing improves people's health, reduces health inequalities and reduces the impact poor housing conditions have on health services. A 2019 report<sup>57</sup> highlighted the link between poor housing and health and that this has a measurable cost, estimated at more than £95.0 million per year. In addition, poor energy inefficiency leads to excess cold and related health conditions as well as financial hardship and fuel poverty.

### **Wider benefits**

- 6.7 In addition to the investment in improving their homes many social landlords have sought to deliver a wider set of benefits for example in terms of training, apprenticeships and employment at a local level. This sought to maximise the economic regeneration opportunities presented by the investment. Projects such as the i2i (Inform 2 Involve) Can Do toolkits (launched in 2009) were created to support social landlords to maximise these opportunities through the procurement process with, for example, targeted recruitment and training. In March 2012 this approach

---

<sup>55</sup> Welsh Government, 2021, Welsh Housing Quality Standard: Tenants' Survey (Summary)

<sup>56</sup> Wales Audit Office, The Service User Perspective – the WHQS – Isle of Anglesey, 2018; Powys County Council, 2018; Flintshire County Council, 2018

<sup>57</sup> BRE, CHC and Public Health Wales, 2019, Making a Difference Housing and Health: A Case for Investment – summary, report & infographic

was reported to have seen 26 landlords create 2,581 jobs and training opportunities<sup>58</sup>. In 2014 the i2i '5 years on' report<sup>59</sup> stated that the total number of people supported into training and/or employment had passed 5,000 with a total of 5,130 targeted recruitment and training opportunities secured since 2009.

### **Valuing impact**

- 6.8 Feedback from landlord workshops held in 2020 by Welsh Government provided a snapshot of views which demonstrated the challenge facing Welsh Government in revising the WHQS. Eight virtual workshops were run by Welsh Government in May and June 2020 with 72 delegates attending in total and there was subsequent on-line feedback. The purpose of the workshops was to ensure the views of landlords had been captured and understood.
- 6.9 Landlord views expressed in this exercise were diverse. They were able to define success both for their organisations and their stakeholders. Most appreciated and valued the guidance, despite the freedom for interpretation. Compliance and verification were viewed positively and as increasingly important. There was a long list of suggestions about how the WHQS might change in the future, what could be added and taken away in terms of requirements. Views on the level of prescription and the scope differed. There was feedback on issues such as the terminology of 'acceptable fail', alternative approaches and individual level record reporting.

### **Potential additional elements**

- 6.10 Three potential specific additions/enhancements to the WHQS have been identified – flooring, broadband and decarbonisation measures. The first two are outlined below while the next chapter explores the issues around decarbonisation in detail.

#### *Floor coverings*

- 6.11 The impact for an incoming tenant of a lack of any floor covering beyond the kitchen and bathroom (as specified in the current WHQS) has been addressed by TPAS Cymru and Tai Pawb<sup>60</sup> as well as the Bevan Foundation<sup>61</sup> which has identified the

---

<sup>58</sup> CIH Annual Conference, 2012

<sup>59</sup> i2i, 2014, 5 years on

<sup>60</sup> TPAS Cymru and Tai Pawb, 2020, Floored – Provision of appropriate flooring in social housing

<sup>61</sup> Bevan Foundation, 2020, Solving Poverty: Reforming help with housing costs

impact on the health and well-being of tenants and their children (who often live for many years without floor coverings) as well as the financial consequences for tenants of having to find the costs of providing flooring at the beginning of a tenancy. Landlords in the workshop held in 2020 and for this summative assessment have identified some practical challenges if floor coverings are included in the next iteration of WHQS: for instance, funding, ownership, maintenance liability, and what happens at reletting.

### *Broadband*

- 6.12 Work to enable the provision of broadband for tenants has been identified as something reflecting the current use of social housing. It has been identified as being as important as utilities such as water and electricity. For tenant health, welfare, education, communication, contact and (especially in 2020/21 during a pandemic) safety, being able to have an effective broadband service is increasingly seen as a way to tackle social and economic exclusion. Landlords have identified many challenges to consider in facilitating a broadband connection, but it may be that in order to fairly treat tenants of existing as well as new homes (where there is provision for a connection) the next iteration of the WHQS may need to incorporate an item on this.
- 6.13 This would be consistent with the recently published Digital Strategy for Wales<sup>62</sup>. The Digital Strategy emphasises the importance of providing equality of access to digital communication and has, as one of its missions to,
- “Equip people with the motivation, access, skills and confidence to engage with an increasingly digital world, based on their needs”.*
- 6.14 The Strategy sets out a number of groups that are to be given priority to develop basic digital skills and confidence. These groups include, “.... *older people, disabled people, unemployed and economically inactive and social housing residents.*” Including broadband provision – or its equivalent – in WHQS 2.0 would therefore be supported by national policy.

---

<sup>62</sup> Welsh Government, 2021, Digital Strategy for Wales

## 7. Decarbonisation

### Summary

- In March 2021, Welsh Government legislated for a target of net zero carbon by 2050; a target of 63% reduction in carbon by 2030 and an 89% reduction by 2040 was also approved by the Welsh Parliament.
- The challenge to decarbonise homes, and existing social homes in particular, in a way that does not increase fuel poverty, is significant. Decarbonisation of the grid on its own, without improvements to homes would likely increase energy costs and hence fuel poverty.
- Research points to the need for social housing to achieve a SAP rating of 92 or above (or equivalent measure) through a combination of decarbonised heating systems, fabric enhancement and renewables, the mix of which will be specific to each home.
- Delivering this agenda through the WHQS programme provides a clear pathway and structure for delivery within a framework that can be monitored.
- The standard will require intelligent improvements to data collection and monitoring as well as improvements to market capacity through skills and materials for industry and landlord organisations.
- Welsh Government recognises this imperative and has introduced a number of pilot projects. Its aim is for the target to be achieved across social housing stock by 2033.
- Research and consultation with participating stakeholders suggests implementation of a new WHQS standard as a two-staged approach. During the first stage (approximately two years) landlords and Government, working with tenants, would be required to make preparation for retrofitting stock, including setting out a costed plan, identifying gaps in skills and capacity; undertaking training; producing guidance; setting up systems for data capture; and identifying resources.
- The second stage would be the implementation of the improvements, potentially alongside the RMI programme to minimise waste of components within their operational lifetime.



## Context

- 7.1 An issue clearly emerging in the more recent literature, and on which this project will comment, is the response which is required from landlords in order to meet the climate emergency and the implications for the WHQS.
- 7.2 In response to the Committee on Climate Change (CCC) report ‘Net Zero: The UK’s contribution to stopping global warming’<sup>63</sup>, Welsh Ministers declared their ambition for Wales to achieve net zero emissions by 2050 at the latest<sup>64</sup>.
- 7.3 The CCC recommended that Welsh Government should, “legislate as soon as possible to reach Net Zero greenhouse gas emissions by 2050”<sup>65</sup>. The overarching measures it recommended include, “full decarbonisation of the power sector, full switchover to electric vehicle sales and installation of low-carbon heating, and decarbonisation of manufacturing .....”<sup>66</sup> thus making clear that homes and domestic energy use are key to meeting the overall target. Welsh Government adopted the 2050 target in March 2021 through Statutory Instrument<sup>67</sup>, effectively bringing the Net Zero target into law. Also noteworthy is the CCC’s sixth Carbon Budget<sup>68</sup> which, in setting out the pathway to net zero, recommended there should be an 89% reduction in carbon by 2040, an increase on the current statutory emission target of 67% and which was approved by the Welsh Parliament in March 2021.
- 7.4 Wales has some of the oldest and least thermally efficient housing stock in the UK and Europe - the average Welsh home has a Standard Assessment Procedure (SAP) energy rating of 61 points, equivalent to an EPC Band D<sup>69</sup>. It is of note that decarbonising the primary energy supply on its own would inevitably result in increased energy costs for the householder. Thus, when taking the decarbonisation

---

<sup>63</sup> Climate Change Committee, 2019, Net Zero: The UK’s contribution to stopping global warming

<sup>64</sup> Welsh Government, 2019, Written Statement: Response to Committee on Climate Change’s Net Zero Report

<sup>65</sup> Climate Change Committee, 2020, Advice Report: The path to a Net Zero Wales

<sup>66</sup> Climate Change Committee, 2020, Advice Report: The path to a Net Zero Wales, p9

<sup>67</sup> Welsh Statutory Instrument to The Environment (Wales) Act 2016 (Amendment of 2050 Emissions Target) Regulations 2021 effective from 12<sup>th</sup> March 2021

<sup>68</sup> Climate Change Committee, 2020, The Sixth Carbon Budget: The UK’s path to Net Zero

<sup>69</sup> Decarbonisation of Homes in Wales Advisory Group, 2019, Better Homes, Better Wales, Better World – Decarbonising Existing Homes in Wales. Report to Welsh Ministers from the Decarbonisation of Homes in Wales Advisory Group, p10

agenda to individual homes “action must be taken to reduce household primary energy use, to protect vulnerable households and monitor future trends in fuel poverty, to ensure that a consequence of cleaner primary energy supply is not an acute increase in fuel poverty”<sup>70</sup>.

- 7.5 Three components are identified as key to the successful decarbonisation of the Welsh housing stock<sup>71</sup>: a cleaner energy supply; an improved (better performing) housing stock; and informed occupants.

### **Cleaner energy supply**

- 7.6 Carbon emissions from homes have already reduced by an estimated 40% or more since 1990 and this “this improvement mostly comes from cleaner primary energy supply”<sup>72</sup>. Indeed, if the energy supply was to undergo a ‘transformational change’<sup>73</sup>, then “the need to make significant changes to homes themselves would be unnecessary”<sup>74</sup>. In this scenario however, to take account of peaks in demand it could still be necessary for homes to reduce their energy demand so as not to exceed grid capacity<sup>75</sup>. Furthermore, if there is heavy reliance on grid decarbonisation but little improvement works carried out on homes “there could be considerable increases in householder energy costs, and corresponding increases in fuel poverty”<sup>76</sup>. Hence the householder would bear at least part of the operating costs of decarbonisation.

### **Better performing housing stock**

- 7.7 For both new and existing homes, decarbonisation infers a move away from gas to electric heating through, primarily, the use of heat pumps (but potentially through

---

<sup>70</sup> Welsh Government (Green et al), 2019, Homes of Today for Tomorrow stage 2 report

<sup>71</sup> Welsh Government (Green et al), 2019, Homes of Today for Tomorrow stage 2 report

<sup>72</sup> Decarbonisation of Homes in Wales Advisory Group, 2019, Better Homes, Better Wales, Better World – Decarbonising Existing Homes in Wales. Report to Welsh Ministers from the Decarbonisation of Homes in Wales Advisory Group

<sup>73</sup> Specified as being an 80% clean energy supply

<sup>74</sup> Decarbonisation of Homes in Wales Advisory Group, 2019, Better Homes, Better Wales, Better World – Decarbonising Existing Homes in Wales. Report to Welsh Ministers from the Decarbonisation of Homes in Wales Advisory Group

<sup>75</sup> *ibid*

<sup>76</sup> *ibid*

other low carbon heating options)<sup>77</sup>. Without other efficiency measures, this move is likely to increase a) cost to the resident, b) the amount of electricity consumed for heating and c) pressure on the grid. It is therefore vital that “dwelling retrofit strategies that upgrade heating systems must also uplift dwelling fabric to an acceptable standard, to diminish increases in energy costs, and vulnerable households must be protected to ensure that a consequence of a cleaner housing sector is not an increase in fuel poverty”<sup>78</sup>.

- 7.8 In addition, technologies such as Intelligent Energy Systems, or, if issues around high embodied carbon and battery storage can be resolved, roof mounted photovoltaic panels may have a role to play as they can be highly effective in reducing fuel bills, hence “making decarbonisation retrofit desirable for tenants”<sup>79</sup> and reducing pressure on the energy supply network<sup>80</sup>.
- 7.9 It is clear from the literature that achieving a SAP rating of 92 or above (equivalent to EPC A rating) in social homes, with the inclusion of a decarbonised heating system, would assist in achieving the Government target of Net Zero by 2050; reduce implied fuel poverty on retrofitted social homes through the necessary inclusion of fabric enhancement and renewables; and assist in avoiding over-pressure on the grid.
- 7.10 The Decarbonisation of Homes in Wales Advisory Group makes the recommendation that, “The Welsh Government should set a target of EPC Band A for homes in social ownership and homes in fuel poverty”<sup>81</sup>.
- 7.11 Clearly this presents some considerable technical challenges, including a performance gap (highlighted above) where retrofit actions do not meet the predicted standard and for which “a skilled, trained supply chain is needed to

---

<sup>77</sup> E.g., CCC recommends in 2019 that no new UK housing is connected to the gas grid but that low carbon heating is installed instead

<sup>78</sup> Welsh Government (Green et al), 2020, Decarbonising the Welsh housing stock: from practice to policy, p289

<sup>79</sup> Welsh Government (Green et al), 2020, Homes of Today for Tomorrow, p5

<sup>80</sup> Welsh Government (Green et al), 2020, Homes of Today for Tomorrow, p5

<sup>81</sup> Decarbonisation of Homes in Wales Advisory Group, 2019, Better Homes, Better Wales, Better World – Decarbonising Existing Homes in Wales. Report to Welsh Ministers from the Decarbonisation of Homes in Wales Advisory Group, Action 2.3

ensure that retrofit is appropriately conceived and properly implemented”<sup>82</sup>. Indeed, concern about the skills gap was a major issue for social landlord stakeholders participating in this research project.

7.12 In looking at models for implementation and costs that can be taken forward to future WHQS it is relevant to examine the ‘Homes of Today for Tomorrow’ report which identifies 14 housing archetypes overall (10 that are applicable to social housing) and four decarbonisation approaches. The 10 social housing archetypes are shown in dark green in Figure 7.1 below<sup>83</sup>.

**Figure 7.1: Breakdown of Welsh social housing stock into archetypes**

	HOUSE End terrace	HOUSE Mid terrace	HOUSE Semi- detached	HOUSE Detached	FLAT (Purpose built)	Total
pre 1919	0%	2%	1%	0%	2%	5%
1919- 1944	2%	3%	5%	0%	1%	11%
1945- 1964	3%	5%	12%	0%	8%	29%
1965 - 1990	5%	7%	5%	0%	19%	36%
post 1990	1%	2%	6%	1%	9%	20%
Total	11%	20%	29%	1%	39%	82%

*Source: The above figure is a reproduction of data found at Table 5. in Homes of Today for Tomorrow Stage 3 Report*

7.13 The report uses the archetypes to set up case studies through which implementation of decarbonisation retrofitting can be explored<sup>84</sup>. It is assumed that

<sup>82</sup> Welsh Government (Green et al), 2020, Homes of Today for Tomorrow stage 2 report, p14

<sup>83</sup> Welsh Government (Green et al), 2020, Homes of Today for Tomorrow stage 3 report, Table 5.1

<sup>84</sup> Note that two archetypes were not developed into case studies (semi-detached 1919-1944 and end terrace 1945-1964) as they were closely related to other case studies.

social housing stock is retrofitted to what is given as a 'best practice standard'<sup>85</sup>, mitigating against "the real risk that decarbonisation can increase fuel poverty"<sup>86</sup>.

- 7.14 In response to the report 'Better Homes Better Wales Better World' which recommended specifically in relation to social homes that "*The Welsh Government must urgently undertake detailed modelling of the costs ..... (to) inform priority early action according to tenure, archetype and geography .....*"<sup>87</sup> Welsh Government launched an Optimised Retrofit Programme (ORP) to test approaches to decarbonising Welsh homes. Under the programme around 1,300 homes will be retrofitted using a combination of building fabric improvements, low and zero-carbon technologies and intelligent ongoing operational controls, to plan out how to take each home to its lowest achievable carbon footprint.
- 7.15 Importantly the Welsh Government's ORP pilot will include the use of home digital technology to record energy use in each home and a home survey tool to act as a kind of digital log-book, recording information about the home and incremental changes. This tool could be developed for working with individual homes, tailoring a package to each dwelling and working with the tenant and landlord to give a holistic approach to retrofit. Both the technology and the collaborative approach, if successful, could be taken forward to support any future implementation through WHQS.

### **Informed occupants**

- 7.16 Clearly tenants will be disrupted through retrofitting and will have to operate a different heating system once it is installed. "Unengaged tenants can significantly reduce the effectiveness of retrofit" and adequate information, training and engagement are necessary for the upgrades to be "as effective as possible"<sup>88</sup>. Against this, the Welsh Government's 2021 WHQS Tenants' Survey found that a "large majority of respondents would be happy or very happy for both minor (71%, n=588) and substantial works (78%, n=641) to be carried out in their home for the

---

<sup>85</sup> The other standards are 'good practice', 'heritage' and 'rural'.

<sup>86</sup> Welsh Government (Green et al), 2020, Homes of Today for Tomorrow stage 2 report

<sup>87</sup> Decarbonisation of Homes in Wales Advisory Group, 2019, Better Homes, Better Wales, Better World – Decarbonising Existing Homes in Wales. Report to Welsh Ministers from the Decarbonisation of Homes in Wales Advisory Group, Action 4.2,

<sup>88</sup> Welsh Government (Green et al), 2020, Homes of Today for Tomorrow stage 3 report, p5

purpose of improving fuel efficiency”<sup>89</sup>, (noting that the survey was purposively sampled online and not necessarily representative of Welsh Social tenants as a whole).

- 7.17 In its report on the scope and implementation of the current WHQS environmental standard, TPAS Cymru<sup>90</sup> (2008) observed that, despite reservations of landlords, involving tenants fully in the process can generate commitment and engender effective collaboration between residents and statutory bodies, to the good of the community<sup>91</sup>. This approach has wide support including by the Decarbonisation of Homes in Wales Advisory Group”<sup>92</sup>.

### **Can / should this be achieved under WHQS?**

- 7.18 Moving from the current requirements of the WHQS (to provide adequately heated, fuel efficient and well insulated homes) to a functional target e.g., a single SAP rating allied to the objective of decarbonisation of the stock is recognised as a significant challenge. “Decarbonisation of the Welsh housing stock is a more complex challenge than the WHQS programme (2002 to 2020). A component-led approach is embedded in the organisational operations of many Social Housing Landlords. Successful decarbonisation requires a more holistic understanding of stock, and more carefully coordinated retrofit actions.”<sup>93</sup>
- 7.19 The report, ‘Better Homes Better Wales Better World’ recommended a target of EPC A for social homes in Wales and that this target should replace the existing energy performance requirement in WHQS.<sup>94</sup>
- 7.20 The benefits of tackling this agenda for the social housing stock are clear: decarbonisation, reduction in fuel poverty, contribution to improved health (societal and economic costs), job creation, developing local skills and tenant involvement in

---

<sup>89</sup> Welsh Government, 2021, Welsh Housing Quality Standard: Tenants’ Survey Report

<sup>90</sup> TPAS Cymru & Groundwork Wales, 2008, Scope and Implementation of the WHQS Environmental Standard

<sup>91</sup> TPAS Cymru & Groundwork Wales, 2008, Scope and Implementation of the WHQS Environmental Standard, p15

<sup>92</sup> Decarbonisation of Homes in Wales Advisory Group, 2019, Better Homes, Better Wales, Better World – Decarbonising Existing Homes in Wales. Report to Welsh Ministers from the Decarbonisation of Homes in Wales Advisory Group (Action 7.1)

<sup>93</sup> Welsh Government (Green et al), 2020, Homes of Today for Tomorrow stage 3 report, p4

<sup>94</sup> Decarbonisation of Homes in Wales Advisory Group, 2019, Better Homes, Better Wales, Better World – Decarbonising Existing Homes in Wales. Report to Welsh Ministers from the Decarbonisation of Homes in Wales Advisory Group (Action 7.1)

particular. Providing this through WHQS gives a clear pathway and structure for delivery within a framework that can be monitored.

- 7.21 The literature identifies the practical challenges for landlords and tenants and the potential costs of achieving both set of objectives across the stock but with an understanding of the wider environmental benefits of achieving Net Zero carbon by 2050 or earlier and much higher SAP ratings for the stock. The literature does not identify either a single cost for this or set out an agreed pathway to achieving the objectives. However, there are some pointers in the literature and published research.
- 7.22 Case studies set out by Welsh Government research in 'Homes of Today for Tomorrow' show decarbonisation retrofit costs of between £19,000 and £33,000 per dwelling. The costs modelling is caveated in the report<sup>95</sup> noting that:
- a) The SAP tool is not perfect and has limitations inherent in its application.
  - b) Air Source Heat Pumps (as costed in the research) could eventually be superseded by other lower carbon systems offering greater benefit.
  - c) Batteries related to PV do not directly contribute to decarbonisation of a building.
  - d) The case studies do not necessarily take a 'best practice' approach.
  - e) Work by BEIS and the National Grid was analysed and their predicted emissions factors for 2023 were incorporated into the modelling - whilst these figures are not reflective of further potential to decarbonise energy supply in the future, they are considered to reflect a reasonable view of emissions by 2030.
  - f) Costs were supplied by cost consultants, but a number of organisations have questioned these, typically where work related to more complex fabric-based improvements.

---

<sup>95</sup> Welsh Government (Green et al) 2020 Homes of Today for Tomorrow stage 3 report p14

7.23 The case study examples achieve decarbonised heating alongside the best fabric and energy improvements for each home type (although they did not bring all up to SAP92)<sup>96</sup>. Some of the costs applied will be subject to the limitations stated above as well as the obvious limitations on conclusions that can be drawn from ten examples, even if those examples are representative. Significantly more information on costs will become available during the ORP retrofits. However, the information provides useful available reference and the evidence is used to make comparison between the anticipated Repair, Maintenance and Improvement (RMI) programme costs of between £2,000 and £22,000 per dwelling<sup>97</sup> and the cost findings of retrofit case studies. Figure 7.2 combines these results for ten case studies (based stock archetypes) and demonstrates the comparative costs and improvement in SAP rating achieved by each. It also demonstrates that some of the decarbonisation costs could be offset against the existing RMI programme, indeed that a timetable for a decarbonising retrofit programme could sit within the RMI.

---

<sup>96</sup> Welsh Government (Green et al), 2020, Homes of Today for Tomorrow stage 3 report Chapter 6

<sup>97</sup> Welsh Government (Green et al), 2020, Homes of Today for Tomorrow stage 3 report, Tables 7.1 and 7.2



**Figure 7.2 comparison of RMI retrofit costs with improvement in SAP ratings for development archetypes using Welsh Government case studies <sup>98</sup>**

Type	age	anticipated RMI							decarbonisation retrofit						
		SAP		Decarb		Fuel bills		Cost	SAP		Decarb		Fuel bills		Cost
		now	after	now	after	now	after		now	after	now	after	now	after	
End terrace	Pre 1919	62	91	61%	70%	£1066	£249	£22k	62	92	61%	96%	£1066	£231	£33k
Mid terrace	1945-64	60	93	57%	71%	£844	£141	£19k	60	96	57%	97%	£844	£93	£31k
Semi-detached	1945-64	48	91	26%	60%	£1022	£173	£18k	48	97	26%	97%	£1022	£62	£29k
Semi-detached	1645-64	42	67	33%	67%	£1277	£726	£12k	42	93	33%	96%	£1277	£148	£31k
Semi-detached	1965-90	84	91	61%	71%	£373	£194	£10k	84	94	61%	96%	£373	£135	£27k
Semi-detached	Post '90	67	70	54%	60%	£704	£641	£7k	67	94	54%	95%	£704	£127	£28k
Flats	1945-64	58	65	51%	62%	£773	£643	£8k	58	96	51%	96%	£773	£66	£25k
Flats	1965-90	53	73	36%	70%	£754	£440	£8k	53	84	36%	94%	£754	£261	£19k
Flats	1965-90	56	71	41%	67%	£794	£512	£8k	56	84	41%	94%	£794	£284	£22k
Flats	Post '90	69	69	77%	78%	£453	£451	£2k	69	85	77%	96%	£453	£214	£19k
		60	79	51%	69%	£802	£410		60	90	51%	96%	£802	£189	

Source: The above figure is a reproduction of individual case studies shown in Tables 7.1/ 7.2 in 'Homes of Today for Tomorrow' Stage 3 report

7.24 In terms of funding such costs, the Decarbonisation of Homes in Wales Advisory Group recommended that:

- Funding for WHQS of £108 million per annum should be continued (Action 4.2);

<sup>98</sup> Welsh Government (Green et al), 2020, Homes of Today for Tomorrow stage 3 report, Tables 7.1 and 7.2

- A financial solution should be found for RSLs who do not currently receive WHQS resources (Action 4.4);
- A fund of at least £100 million should be established to pay for development of innovative solutions which will help decarbonise Welsh homes – model Innovative Housing Programme (IHP) (action 6.1).

7.25 There is an emerging route map identified by Welsh Government to take forward the decarbonisation agenda in social housing, through the WHQS. A clear set of objectives and a process of implementation will be required if the ambitious targets for decarbonisation alongside improvements in social housing stock are to be achieved. Welsh Government engagement with the social housing sector has recommended a house-led standard for decarbonisation as discussed above. Putting forward a standard which would be measured and reported, incorporating a timetable and measure of a target of SAP 92 to be achieved by 2032.

7.26 Subsequent interviews with Welsh Government<sup>99</sup> have set out current thinking and that a set of recommendations has been made to build on this agenda and take it forward through the WHQS. The internal recommendations are (at March 2021) to achieve the following standard:

- (1) Achieve Net Zero Carbon emissions whilst continuing to provide dwellings that must be capable of being adequately heated at an affordable cost to the residents and align with Welsh Government’s policy on Fuel Poverty;
- (2) This standard must be achieved by 2033; and
- (3) Each home must follow a review process, starting with a PAS 2035<sup>100</sup> house survey and continuing with a whole system approach for each house and providing a plan for each house by 2023 – to achieve the standard.

7.27 The RMI programme suggests a timetable that could be implemented through WHQS to ally retrofitting with routine maintenance and upgrades to equipment.

---

<sup>99</sup> During February, March and April 2021

<sup>100</sup> PAS2035 is a publicly available specification for energy retrofit of domestic dwellings, issued by The British Standards Institution, BSI. Whilst not officially a ‘standard’, it details best practice taking a ‘whole house’ approach considering the home, environment, occupancy and householders’ improvement objectives when determining the most suitable measures to install

Although the timetable for heating replacement could be as long as 15 years, it does have the benefit of minimising waste by preserving components within their operational lifetime – something that was supported by social landlords at the stakeholder workshop and would prevent waste which would be counted against any carbon savings from new components.

- 7.28 Alongside this, stakeholders participating in this research indicated that a two-stage approach to implementation is the much preferred approach. During the first stage, which was suggested to last approximately two years, landlords would be required to make preparation for retrofitting stock and this would include setting out a costed plan on a home-by-home basis; identifying gaps in skills (both within the landlord organisation and in the wider industry); training; preparation of the market in terms of materials and capacity; setting up systems for data capture; and identifying resources.
- 7.29 Participating stakeholders expressed a clear requirement for full guidance, which they would be interested in contributing to, as well as regular workshops and networking along the lines of the sessions recently facilitated by Welsh Government on WHQS.
- 7.30 Full works would begin in stage two of the process, which would benefit from lessons learned in the ORP to date.

## **8. Conclusions and recommendations**

- 8.1 The final chapter of the report addresses the three objectives for the evaluation set out at the start of the report. The first and overarching conclusion of the Summative Evaluation is that WHQS has been effective in achieving its key objective of raising standards of social rented housing in Wales.

### **The extent to which the WHQS has been achieved**

- 8.2 The various reports reviewed on progress with compliance, the audit and evaluation reports and feedback from tenants and landlords have, together, shown that there has been a marked improvement in the quality of social housing with the introduction of the WHQS. The drive to achieve a common standard has underpinned this, focusing strategy, improving knowledge about the condition of social housing to aid investment planning and asset management strategies, enabling more accurate forecasting of expenditure and as a result helping to prioritise investment.
- 8.3 The review of compliance data demonstrates that the WHQS has been instrumental in improving social housing quality standards across the range of measures that comprise WHQS. This is so for the stock held both by local authorities and RSLs with 93% compliance across the social rented stock.
- 8.4 It is also clear that, although the WHQS was introduced in 2002, it was the introduction in 2011 of additional monitoring and data collection procedures, enhanced guidance and data quality reporting that achieved a clearer focus amongst landlords of achieving WHQS and allowed Welsh Government to realistically assess progress. More recent (2018 and later) interventions by Welsh Government to arrange landlord workshops and share good practice have also been important in raising standards - as was commented on in the recent landlord workshop undertaken for this study. The value of sharing knowledge is returned to in the recommendations below.
- 8.5 Some elements of the standard have proved 'easier' to meet than others. Moving forward, the greatest scope for further targeted improvement would appear to be energy performance with circa 10% of all social housing stock in Wales remaining

uncompliant with the existing WHQS 'Energy rating' as of 2019. Given the importance of reducing carbon emissions in the future, the challenge of improving energy performance will be significant.

- 8.6 Meeting the standards for 'External Garden and Storage' appears to be further behind<sup>101</sup> progress achieved in attaining the other standards within the local authority stock. Overall level of compliance was at 79% meaning that 21% of local authority stock failed to attain WHQS for this component.
- 8.7 The evaluation of available data has also identified a strong positive correlation over the time series (2012-2020) between the levels of funding and WHQS compliance. However, the available data does not allow the detailed assessment of the value for money of public investment in achieving WHQS - for example whether there are systematic differences in investment required per dwelling to achieve WHQS for flats versus houses or by different landlord types.
- 8.8 The self-reporting approach for WHQS has obvious challenges, with some inconsistencies in reporting. However, the Welsh Government does, as far as possible, audit any potential 'obvious' changes in reporting to mitigate measurement or reporting errors.
- 8.9 Active engagement between the Welsh Government and landlords has continued the building of trust, particularly with respect to data collection and 'acceptable fails'. Feedback from the workshop series held by Welsh Government in 2019 highlighted the importance of communication and transparency. This has improved landlord understanding and provided a solid baseline for moving standards forward.
- 8.10 'Acceptable fails', whilst becoming more interpretable, do remain challenging for statistical reporting, data monitoring and practical assessments. There are ongoing challenges in relation to reason codes including timing of remedy, cost of remedy and tenant choice, particularly in respect of kitchens and bathrooms. This analysis infers that 'acceptable fails' can impact upon disclosure of WHQS compliance, with a pronounced growth in 'acceptable fails' in recent years. This could simply reflect the significant strides made by Welsh Government, via a series of workshops, to

---

<sup>101</sup> Informal advice from Welsh Government indicates that this was likely because it was one of the later elements of the standard to be tackled.

provide clarity and to open up dialogue on what qualifies as an ‘acceptable fail’, leading to a wider use of ‘acceptable fails’ but now on a more consistent basis.

- 8.11 To achieve increased data quality and reliability there needs to be more investment targeted towards human capital, resources, capability and audit to help increase the reliability of ‘self-reporting’ and potential future standards.
- 8.12 Asset management data has improved across both RSL and local authority landlords in the last decade as a result of the WHQS programme. The provision of data is key to making smart business choices and for evidencing business decisions both internally and externally. Moreover, the enhanced robustness of asset management level data will be crucial moving forward for enhancing energy efficiency, taking advantages of new developments in technology and in generating effective pathways to mitigate carbon intensity within the social housing sector.

### **The outputs of delivering the standard**

- 8.13 The improvements in the social rented stock made as a result of the WHQS have had a range of positive impacts for tenants and the wider community. While many tenants do not recognise the WHQS as such (some two out of five tenants), they do support its objectives and tenant involvement, engagement and satisfaction with WHQS programmes has been generally positive.<sup>102</sup>
- 8.14 There is a clear link, highlighted in the existing research, between health and housing quality so it could be inferred that the improvements to housing quality that result from WHQS have health benefits to social tenants in Wales. The Building Research Establishment (BRE) estimated that poor quality housing in Wales cost the NHS more than £95.0 million per year in first year treatment costs and the cost to Welsh society was over £1 billion.<sup>103</sup>
- 8.15 There is no similar financial assessment available of the impact of poor, badly insulated housing on fuel poverty but one of the benefits of the WHQS identified in the literature is said to be improved energy efficiency in the homes of tenants and,

---

<sup>102</sup> Welsh Government, 2021, Welsh Housing Quality Standard: Tenants’ Survey (Summary)

<sup>103</sup> BRE, CHC and Public Health Wales, 2019, Making a Difference – Housing and Health: A Case for Investment

with this, increased levels of comfort and lower energy costs and reduced fuel poverty.<sup>104</sup>

- 8.16 In addition to the investment in improving their homes, many social landlords have sought to deliver a wider set of benefits in terms of training, apprenticeships and employment at a local level. The most recent estimate (dating from 2014) was that the total number of people supported into training and/or employment had passed 5,000.<sup>105</sup>

### **Recommendations for the development of the revised standard.**

- 8.17 During the course of this evaluation, landlords have indicated where they see the potential to improve or refine the next iteration of the WHQS, but this is within the context that there should be a next iteration of WHQS. Landlords, and others<sup>106</sup> have identified a range of changes for Welsh Government to consider that would help with the evolution of WHQS 1.0 to WHQS 2.0. Three items which have been a particular focus are the inclusion of floor coverings, broadband and most significant of all, decarbonisation. In addition, there are lessons to be learnt from the collection, management and reporting of data.

#### *Flooring*

- 8.18 There is no specific recommendation on future provision of flooring but Welsh Government should work with landlords and tenant organisations to devise a standard that ensures incoming tenants are not faced with the burden of finding the resources to purchase floor coverings when they move into a new property. The standard they should expect should be no worse or better than an equivalent market rented property.

#### *Broadband*

- 8.19 Again, there is not sufficient evidence available to make a specific recommendation about the provision of broadband but we strongly recommend that Welsh

---

<sup>104</sup> See, for example, BRE, CHC and PHW, 2019, Making a Difference – Housing and Health: A Case for Investment and the All Party Parliamentary Group on Healthy Homes and Buildings 2020

<sup>105</sup> i2i, 2014, 5 years on

<sup>106</sup> Such as the All Party Parliamentary Group on Healthy Homes and Buildings, Decarbonisation of Homes in Wales Advisory Group, TPAS Cymru

Government seeks expert advice about the most effective way of delivering broadband to tenants; and that it should work with the landlords and tenant organisations to identify a new standard of provision for WHQS 2.0.

### *Decarbonisation*

8.20 From the Summative Evaluation, which has included discussion of current thinking within Welsh Government, it is recommended that a staged approach to the new standard for WHQS 2.0 is adopted, as set out below:

- Long term objectives/target established by Welsh Government to a defined deadline;
- WHQS 2.0 to ensure tenants are no worse off as a result of decarbonisation work in their homes and to aim to improve comfort levels and with a further reduction in fuel poverty;
- Provide an initial two-year period for landlords to prepare a costed programme of actions to achieve the target – including meaningful tenant engagement and identification of gaps in skills and capacity to deliver the programme;
- An approach to measuring performance is derived including the definition of ‘acceptable fails’, or any replacement system;
- In parallel, Welsh Government to work with landlords and tenant organisations to develop good practice (sharing lessons from the Optimised Retrofit Programme), establish holistic intelligent data collection and stock monitoring systems, alongside a realistic funding strategy;
- WHQS 2.0 to define a programme to meet the target against which landlords are monitored;
- Implement a process to review progress and make adjustments to the target, programme and funding as necessary with first review to be at the end of the 2 years when landlord programmes are in place;
- The second stage would be the implementation of the improvements, potentially alongside the RMI programme to minimise waste of components within their operational lifetime.



### **Data collection and direction**

- 8.21 Welsh Government should set out an overarching approach to data collection and analysis for WHQS 2.0, including how it is to be evaluated before, during and after the programme has been implemented.<sup>107</sup>
- 8.22 In order to progress standards and data quality moving forward, there needs to be a drive towards individual property compliance reporting. This will also improve the potential of checking data across and between other relevant policy areas and health outcomes.
- 8.23 Annual workshops should be held with data providers to showcase how data collected is being used, good practice in data collection and the associated benefits the analysis brings.
- 8.24 For ‘acceptable fails’ Welsh Government may wish to consider introducing a ‘traffic light’ system – to differentiate between properties that could, with intervention, meet targets and those that will not ever be in a position to attain compliance on a given component.
- 8.25 As the WHQS evolves to encompass new standards and forms of assessment on decarbonisation there will invariably be data gaps and breakages in the data value chain. Where individual property level data is unattainable, for example, then credible proxies should be used where possible for monitoring and evaluation purposes.
- 8.26 Moving forward, with the huge capital spend required towards decarbonisation and the continued capital commitment needed for achieving full compliance for WHQS 2.0, there will be a need to integrate data collection procedures to ensure VfM can be clearly monitored and demonstrated in terms of the money spent and achieving the WHQS. This will need to be systematically collected and reported to Welsh Government by the landlords.
- 8.27 Improving the quality and depth of data capture will require significant levels of investment – both in technology and in personnel. Welsh Government should work

---

<sup>107</sup> This follows the guidance from HM Treasury as set out in the Magenta Book – HM Treasury, March 2020, The Magenta Book, Central Government guidance on evaluation

with the landlords to introduce data management systems across the network of landlords, helping share good practice.

- 8.28 Reflecting the two year review programme for newly introduced decarbonisation measures and an introduction of monitoring VfM, it is recommended that there are two-yearly reviews of data collection practices and consistency across the sector.

### **Communications**

- 8.29 WHQS 2.0 will need to be written in plain language and sensitive to the use of terminology that would be unacceptable to groups in the population.
- 8.30 It will be of continuing importance for Welsh Government to communicate effectively with the landlords to take forward WHQS 2.0, explaining what the standard and data collection methods mean and sharing interpretation and good practice. The programme for this should be set out as WHQS 2.0 is introduced, including updating the website. Welsh Government should consider setting up a standing technical advisory group to support the roll-out of WHQS 2.0.

## References

- Affordable Housing Task and Finish Group, 2008, Report to the Deputy Minister for Housing
- Auditor General for Wales, 2012, Progress in delivering the Welsh Housing Quality Standard, Wales Audit Office
- Bevan Foundation, 2020, Solving Poverty: Reforming help with housing costs
- BRE, CHC and Public Health Wales, 2019, Making a Difference Housing and Health: A Case for Investment – summary, report & infographic
- Buildings Journal, 2021, Macro-impacts of air quality on property values in China, a meta-regression analysis of the literature
- CIH Annual Conference, 2012
- Climate Change Committee, 2019, Net Zero: The UK's contribution to stopping global warming
- Climate Change Committee, 2020, The Sixth Carbon Budget: The UK's path to Net Zero
- Climate Change Committee, 2020, Advice Report: The path to a Net Zero Wales
- Decarbonisation of Homes in Wales Advisory Group, 2019, Better Homes, Better Wales, Better World – Decarbonising Existing Homes in Wales. Report to Welsh Ministers from the Decarbonisation of Homes in Wales Advisory Group
- Department for Communities Northern Ireland, 2004, Decent Homes Standard.
- Department for Communities and Local Government, UK Government, 2008, Decent Home: Definition and guidance for implementation, Update
- Department of Environment, Transport and the Regions, UK Government 2006, Quality and Choice: A Decent Home for All, The HGreen Paper
- Green, E. et al, 2020, Decarbonising the Welsh housing stock: from practice to policy, Buildings and Cities, 1(1), 277–292
- House of Commons Committee of Public Accounts, 2010, The Decent Homes Programme, Twenty-first Report of Session 2009–10
- HM Treasury, 2015, The Aqua Book
- HM Treasury, 2020, Magenta Book, Central Government guidance on evaluation
- i2i, 2014, 5 years on

Ministry of Housing, Communities and Local Government, UK Government, 2021, Guidance: Decent Homes Standard: Review

Ministry of Housing, Communities and Local Government, UK Government, 2021, Table 119: stock of non-decent homes, England 2001-2020

National Assembly for Wales, 2001, Better Homes for People in Wales

National Assembly for Wales, 2012, Public Accounts Committee, Progress in Delivering the Welsh Housing Quality Standard

National Assembly for Wales, Public Accounts Committee, 2012, Progress in Delivering the Welsh Housing Quality Standard – report and evidence provided to the Committee

NHS, 2018, National Institute for Health Research, Health impact, and economic value, of meeting housing quality standards: a retrospective longitudinal data linkage study Public Health Research Volume 6 Issue 8

Northern Ireland Housing Executive, 2016, Northern Ireland House Condition Survey, Main Report

Office of the Deputy Prime Minister, 2000, Quality and Choice: A Decent Home for All – The Housing Green Paper

Olotuah, A. O., & Taiwo, A. A., 2015, Housing Strategies and Quality of Housing in Nigeria: what lessons from Wales. *Developing Country Studies*, 5 (16), 1-5.

Rodgers, S. E. et al, 2018, Emergency hospital admissions associated with a non-randomised housing intervention meeting national housing quality standards: a longitudinal data linkage study

Scottish Government, 2016, Report on the Common Housing Quality Standard Forum

Scottish Government, 2016, Scottish Housing Quality Standard: Guidance for Social Landlords

Scottish Government, 2019 Scottish House Condition Survey: 2019 Key Findings

Smith, B, Cardiff University, 2018, Social housing in Wales, Social Housing Policy Working Group, UK Collaborative Centre for Housing Evidence

Statistics New Zealand, 2015, Measuring housing quality: potential ways to improve data collection on housing quality in New Zealand

The Data Unit, 2004, Living in Wales, 2004 Survey, Property Survey Technical Report Research Study Conducted for The Data Unit, March - October 2004. UK Data Archive Study Number 7201

TPAS Cymru & Groundwork Wales, 2008, Scope and Implementation of the WHQS Environmental Standard

TPAS Cymru and Tai Pawb, 2020, Floored – Provision of appropriate flooring in social housing

Twinch, E., 2011, Failing the Standard, article, Inside Housing magazine

Wales Audit Office, The Service User Perspective – the WHQS – Isle of Anglesey, 2018; Powys County Council, 2018; Flintshire County Council, 2018

Welsh Assembly, 2019 - Independent Review of Affordable Housing Supply, Final Report

Welsh Assembly Government, 2002, The WHQS Guidance for Local Authorities on the Assessment Process and Achievement of the Standard

Welsh Assembly Government, 2003, The Welsh Housing Quality Standard, Guidance for Local Authorities / Registered Social Landlords on the Assessment Process and Achievement of the Standard

Welsh Assembly Government, 2005, Living in Wales 2004 Survey, Property Survey Technical Report Research Study Conducted for The Data Unit, March - October 2004. UK Data Archive Study Number 7201.

Welsh Assembly Government, 2005, WHQS & Social Housing Renewal - Cost Model Report

Welsh Assembly Government, 2006, National Housing Strategy for Wales: A Selective Review

Welsh Government information pack for social landlords on statistical reporting

Welsh Government information pack for social landlords on tenant satisfaction reporting

Welsh Government information pack for social landlords on the WHQS deadline

Welsh Government, 2005, Welsh Housing Quality Standard and Social Housing Renewal, Social Justice and Regeneration Research Report SJRRR 4/05

Welsh Government, 2008, Affordable Housing Task and Finish Group, Report to the Deputy Minister for Housing

Welsh Government, 2010, Living in Wales survey: 2008

Welsh Government, 2011, Social landlords performance in achieving the Welsh Housing Quality Standard

Welsh Government, 2012, Response to the Public Accounts Committee Report

Welsh Government, 2014, Welsh Housing Quality Standard: Verification of progress in achieving the Standard

Welsh Government, 2014, Community benefits, Delivering Maximum Value for the Welsh Pound

Welsh Government, 2015, WHQS, Verification in achieving and maintaining the Standard – next steps, Letter to Chief Executives and Directors of Housing in local authorities, RSLs and LSVTs

Welsh Government (Green et al) 2018, Homes of today for tomorrow: Decarbonising Welsh Housing between 2020 and 2050. Stage 1 Report: Scoping Review

Welsh Government, 2019, Acceptable Fails Guidance

Welsh Government, 2019, Reason Codes Guidance

Welsh Government, 2019, Response to the Independent Review Final Report

Welsh Government, 2019, Welsh Housing Quality Standard: Quality Report

Welsh Government, 2019, Written Statement: Response to Committee on Climate Change's Net Zero report

Welsh Government, 2019, Statistical First Release: Welsh Housing Quality Standard (WHQS) as at 31 March 2019

Welsh Government, 2020, Beautiful Homes and Spaces consultation 202

Welsh Government, 2020, Feedback from social landlord focus groups (unpublished)

Welsh Government (Green et al), 2020, Homes of Today for Tomorrow stages 2 and 3 reports

Welsh Government (Green et al), 2020, Decarbonising the Welsh housing stock: from practice to policy

Welsh Government, 2021, Decarbonisation – WHQS and ORP (unpublished)

Welsh Government, 2021, Digital Strategy for Wales

Welsh Government, 2021, Welsh Housing Quality Standard: Tenants' Survey (Summary)

Welsh Housing Quality Standard and Social Housing Renewal, Social Justice and Regeneration Research Report SJRRR 4/05 - November 2005

Welsh Statutory Instrument to The Environment (Wales) Act 2016 (Amendment of 2050 Emissions Target) Regulations 2021 effective from 12<sup>th</sup> March 2021

## Annex A.

### Summary of standards of social rented housing in comparator jurisdictions

Standard	Wales	England	Scotland	Northern Ireland
<p><b>Unfitness Standard</b></p> <p>A nine-point standard in relation to structural stability; disrepair; damp; heating, lighting and ventilation; water supply; preparation and cooking of food; water closet; bath or shower and wash hand basin; drainage.</p> <p><b>(Scotland: Tolerable Standard)</b></p>	<p>Statutory cross-tenure standard for measuring housing quality in Wales until 2006. Superseded by Housing Health &amp; Safety Rating in 2006.</p>	<p>Statutory cross-tenure standard for measuring housing quality in England until 2006. Superseded by Housing Health &amp; Safety Rating in 2006.</p>	<p>Current statutory cross-tenure standard for measuring housing quality in Scotland - minimum standard for habitability. Statutory basis for Tolerable Standard: 1969 Housing (Scotland) Act, and updated by the 1987, 2001 and 2006 Acts. Additional criteria for electrical installations and thermal insulation added by the 2006 Act.</p> <p>Latest statistics (2019): 1.6% of total stock unfit (1% for social housing).</p>	<p>Current statutory cross-tenure standard for measuring housing quality in Northern Ireland - minimum standard for habitability. Statutory basis for current Fitness Standard – Housing (NI) Order, 1981 and modified by Housing (NI) Order, 1992. Not updated since then.</p> <p>Latest statistics (2016): 2.1% of total stock unfit (&lt;1% for social housing).</p>

Standard	Wales	England	Scotland	Northern Ireland
<p>Key housing quality standards for <b>social</b> housing</p> <p><b>Decent Home Standard (England and N Ireland)</b></p> <p>In 2001 DTLR published detailed guidance on definition of a 'Decent Home'.</p> <p>Four Criteria: 1. It meets the current minimum standard for housing; 2. It is in a reasonable state of repair; 3. It has reasonably modern facilities and services; 4. It provides a reasonable degree of thermal comfort.</p> <p><b>Welsh Housing Quality Standard</b></p> <p><b>Scottish Housing Quality Standard</b></p>	<p><b>Welsh Housing Quality Standard</b></p>	<p><b>Decent Homes</b> launched in 2000 with the Government's Housing Green Paper: "Quality and Choice: A Decent Home for All". It committed the Government to ensuring that "all social housing is of a decent standard within 10 years".</p> <p><b>In 2006, the first criterion of the Decent Homes Standard was replaced.</b> The HHSRS became the minimum standard instead of the Fitness Standard.</p> <p>Latest statistics: 2018: 18% of total stock failed to meet the Decent Homes Standard (12% of the social sector).</p>	<p><b>Scottish Housing Quality Standard</b> introduced in 2004 as the principal measure of quality for social housing. The agreed target was that all social landlords must ensure that all their dwellings pass the SHQS by 2015.</p> <p>The SHQS comprises 55 different elements grouped into 5 higher-level criteria: Tolerable Standard (A), Serious Disrepair (B), Energy Efficiency (C), Modern Facilities and Services (D) and Healthy, Safe and Secure (E).</p> <p><b>Position in 2002:</b> 77% of social housing failed SHQS.</p> <p><b>Latest statistics (2019):</b> 43% of total stock failed the SHQS (41% of social housing)</p>	<p><b>Decent Homes Standard</b> adopted in Northern Ireland in 2004 - to 'promote measurable improvements' in NI's dwelling stock. As in England - all social housing to meet the Standard by 2010. Initially the Standard applicable in NI was essentially the same as the one in England. However, this changed in 2006 when England replaced the Fitness Standard with the HHSRS as the first criterion in the DHS. <b>NI has continued to keep the Fitness Standard as the first criterion.</b></p> <p><b>Position in 2004:</b> 27% of social dwellings failed Decent Homes Standard</p> <p><b>Latest statistics (2016):</b> 7.8% of total stock failed the Decent Homes Standard (3.1% of social housing).</p>



Standard	Wales	England	Scotland	Northern Ireland
<p><b>Housing Health and Safety Rating System</b></p> <p>Risk-based evaluation tool designed to help housing identify and protect against potential risks and hazards to health and safety from any deficiencies identified in dwellings.</p> <p><i>Physiological requirements:</i> includes humidity, ventilation, damp and mould growth, excess cold, excess heat, asbestos, Carbon Monoxide.</p> <p><i>Psychological requirements:</i> includes space, crowding, security, light, and noise.</p> <p><i>Protection against infection:</i> includes hygiene, sanitation, pests, refuse and water supply.</p> <p><i>Protection against accidents:</i> includes falls e.g. associated with baths, stairs, level surfaces, electrical hazards, fire, burns and scalds.</p>	<p>Statutory basis: <i>Housing Act 2004</i>. Effective from 2006 following publication of <i>The HH&amp;SRS: Operating Guidance Regulations, (Housing Act 2004:Part 1)</i></p>	<p>Statutory basis: <i>Housing Act 2004</i>. Effective from 2006 following publication of <i>The HH&amp;SRS (England) Regulations, 2005</i>.</p> <p>Latest statistics: 2018: 11% of the total stock had a Category 1 HH&amp;SRS hazard (5% of the social sector)</p>	<p>Not applicable in Scotland</p>	<p>No statutory basis. Not used directly for policy purposes but data collected by NI House Condition Survey since 2006 (preliminary version in 2004).</p> <p>Latest statistics (2016): 9% of the total stock had a Category 1 HH&amp;SRS hazard (4.4% of the social sector)</p>

Standard	Wales	England	Scotland	Northern Ireland
<b>Latest position</b>		A two part review of the Decent Homes Standards announced in February 2021 - Part 1 will seek to understand the case for change and, if made, part 2 will consider how decency should be defined with a refreshed Decent Homes Standard c2022.	Current focus in Scotland on improving energy efficiency – driven by the Energy Efficiency Standard for Social Housing. EESSH Version 2 is currently being drafted.	Adopting the HHSRS has been under consideration since 2010 as the basis for a new NI Housing Quality Standard.

Information sources:

**Wales** – taken from chapters 3 and 4 of the report

### **England**

Department of Environment, Transport and the Regions, 2006, Quality and Choice: A Decent Home for All, The HGreen Paper  
 Department for Communities and Local Government, 2008, Decent Home: Definition and guidance for implementation, Update  
 House of Commons Committee of Public Accounts, 2010, The Decent Homes Programme, Twenty-first Report of Session 2009–10  
 For the review of Decent Homes Standards announced in February 2021 see <https://www.gov.uk/guidance/decent-homes-standard-review>  
 Data from the MHCLG website –Table 119 Dwelling Stock: stock of non-decent homes<sup>1</sup>, England 2001-2020

### **Scotland**

Scottish Government, 2019, Scottish House Condition Survey: 2019 Key Findings  
 Scottish Government, 2016, Report on the Common Housing Quality Standard Forum  
 Scottish Government, 2016, Scottish Housing Quality Standard: Guidance for Social Landlords

### **Northern Ireland**

NIHE, 2016, Northern Ireland House Condition Survey, Main Report.  
 Department for Communities Northern Ireland, 2004, Decent Homes Standard.