

<b>ISLE OF ANGLESEY COUNTY COUNCIL</b>	
<b>Report to:</b>	<b>The Executive</b>
<b>Date:</b>	<b>19<sup>th</sup> September, 2016</b>
<b>Subject:</b>	<b>Welsh Housing Quality Standard Compliance Policy</b>
<b>Portfolio Holder(s):</b>	<b>Aled Morris Jones</b>
<b>Head of Service:</b>	<b>Shan Lloyd Williams</b>
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<b>Local Members:</b>	<b>Relevant to all Elected Members</b>

<b>A –Recommendation/s and reason/s</b>
<p>The Executive is recommended to approve:-</p> <p><b>R1.</b> The draft Welsh Housing Quality Standard (WHQS) Compliance Policy.</p> <p><b>Reasons</b></p> <p><b>1.0 Background</b></p> <p><b>1.1</b> Members will be aware that WHQS was achieved during 2012 and that Anglesey were the second Authority in Wales to achieve the standard. The WHQS states that all households should have the opportunity to live in good quality homes that are:</p> <ul style="list-style-type: none"> <li>- In a good state of repair,</li> <li>- Safe and Secure,</li> <li>- Adequately heated, fuel efficient and well insulated,</li> <li>- Contain up to date kitchens and bathrooms,</li> <li>- Well managed,</li> <li>- Located in attractive and safe environments,</li> <li>- As far as possible suit the specific requirements of the household (e.g. specific disabilities).</li> </ul> <p><b>1.2</b> In June of 2013, the Welsh Government appointed consultants to carry out a research project entitled 'Welsh Housing Quality Standard, verification of progress in achieving the</p>

Standard’.

The aim of the research was to inform the Housing and Regeneration Minister and WG officers about:

- how landlords judge that their properties have met WHQS in accordance with interpretation guidelines published in July 2008;
- how landlords have applied ‘acceptable fail’ criteria;
- the extent of independent, external verification of compliance with WHQS amongst landlords;
- the extent to which community benefits have been achieved by WHQS improvement programmes.

The research recommended that due to the interpretative nature of the Guidance each landlord should produce a WHQS Compliance Policy which expresses and clarifies their interpretation of the WHQS Guidance and that it should include:-

- Interpretation of WHQS;
- Interpretation and recording of ‘acceptable fails’;
- Data collection and storage;
- WHQS progress and reporting;
- Verification;
- WHQS+ Standard;
- Summarised annual financial investment in the stock;
- Interpretation and measurement of Community Benefits.

The Welsh Government have adopted this clear recommendation and have asked all landlords to put a Compliance Policy in place and to review it annually.

## **2.0 WHQS Compliance Policy**

**2.1** The purpose of our proposed policy is to outline the primary principles that we follow to ensure continued compliance with WHQS and to comply with Welsh Government requirements mentioned above. This Policy will contribute towards providing Welsh Government, tenants and the Council with assurances that WHQS has been met and is being maintained.

**2.2** Members are requested to note the following key principles which form the basis of our strategy for continued WHQS Compliance:

- Traditional external planned maintenance contracts will continue to form the basis of our capital investment plans during 2016-20;
- It is our policy to undertake any outstanding internal WHQS works at end of tenancy. This will continue to be the case until all kitchen, bathroom and wiring elements are

fully compliant;

- It is our intention to undertake further survey work during 2016/17 in order to establish if internal elements which did not form part of the original investment plan should be programmed for renewal during 2017-20;
- We will adopt an annual independent verification process which shall include the annual review of data collection procedures, the maintenance of the asset management database and verification of WHQS progress/compliance. This will involve instructing suitably qualified external housing/surveying specialists to undertake an annual audit of progress and procedures;
- We will undertake a further stock condition survey, either full or representative, prior to 2020;
- A WHQS compliance certificate will be issued to new tenants at the point of re-letting a property;
- To capture and measure Community Benefits we will use the Value Wales Measurement Tool and report the outcomes to Welsh Government on completion of capital work contracts;
- The WHQS Compliance Policy will be subject to annual review.

**B – What other options did you consider and why did you reject them and/or opt for this option?**

There are no other options for consideration. The adoption of the WHQS compliance policy is a condition of the MRA Grant application to Welsh Government.

**C – Why is this a decision for the Executive?**

Relates to the HRA Business Plan.

**D – Is this decision consistent with policy approved by the full Council?**

This decision is consistent with Corporate Priorities in connection with Community Regeneration and Economic Development, Increase our housing options and reduce poverty

<b>DD – Is this decision within the budget approved by the Council?</b>
Yes

<b>E – Who did you consult?</b>		<b>What did they say?</b>
<b>1</b>	<b>Chief Executive / Strategic Leadership Team (SLT)</b> (mandatory)	Supportive
<b>2</b>	<b>Finance / Section 151</b> (mandatory)	Comments were received from the 151 Officer during the consultation. We will consult and agree with the 151 Officer annually exactly what financial assumptions and details of financial expenditure are to be used in future WHQS Compliance Policies, which are updated every year.
<b>3</b>	<b>Legal / Monitoring Officer</b> (mandatory)	No comments
<b>5</b>	<b>Human Resources (HR)</b>	
<b>6</b>	<b>Property</b>	
<b>7</b>	<b>Information Communication Technology (ICT)</b>	
<b>8</b>	<b>Scrutiny</b>	
<b>9</b>	<b>Local Members</b>	
<b>10</b>	<b>Any external bodies / other/s</b>	

<b>F – Risks and any mitigation (if relevant)</b>	
<b>1</b>	<b>Economic</b>
<b>2</b>	<b>Anti-poverty</b>
<b>3</b>	<b>Crime and Disorder</b>
<b>4</b>	<b>Environmental</b>
<b>5</b>	<b>Equalities</b>
<b>6</b>	<b>Outcome Agreements</b>
<b>7</b>	<b>Other</b>

<b>FF - Appendices:</b>
Draft Welsh Housing Quality Standard Compliance Policy 2016

**G - Background papers (please contact the author of the Report for any further information):**

Housing Revenue Account 30 year Business Plan 2016-2046



CYNGOR SIR  
YNYS MÔN  
ISLE OF ANGLESEY  
COUNTY COUNCIL

**Draft Welsh Housing**  
**Quality Standard**  
**(WHQS) Compliance**  
**Policy**

## **Draft Welsh Housing Quality Standard (WHQS) Compliance Policy**

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## **1.0 Background**

- 1.1** Officers reported to the Council's Executive on 20<sup>th</sup> November, 2006 that stock retention and stock transfer were both feasible options in terms of meeting WHQS by 2012.

It was reported that taking into account the capital improvements already undertaken or underway, and projecting the current situation, with a combination of supported and unsupported borrowing it will be possible to meet WHQS by 2012 and maintain the standard over 30 years. The Housing Revenue Account (HRA) is sustainable and the option of stock retention is feasible.

The option preferred by the Council's Executive Committee was to retain the stock rather than transferring the stock to an external organisation. This decision was confirmed during a full meeting of the County Council held on 14<sup>th</sup> December, 2006.

## **2.0 WHQS Overview and Interpretation**

- 2.1** "Better Homes for People in Wales" states the Welsh Government's vision that "all households in Wales ... shall have the opportunity to live in good quality dwellings that 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
- located in attractive and safe environments
- as far as possible suit the specific requirements of the household (e.g. specific disabilities)

- 2.2** Works required to each of our properties has been assessed on the basis of WHQS Guidance issued in July 2008 and by application of the Standard Assessment Checklist. Inside a property, work is focused around four key components, namely kitchens, bathrooms, rewires and heating systems. Externally, it is the condition of key components including roofs, walls, windows, doors, paths and fences.



### **3.0 WHQS Progress**

- 3.1** During 2012 – 13 the Housing Service entered into the fifth and final year of an Investment Plan to deliver works required in order to comply with WHQS. In accordance with previously reported timescales the Housing Service went on to confirm that the main programme of works procured in order to comply with WHQS had reached a successful conclusion during December, 2012. As a result, Anglesey County Council was one of the first authorities in Wales to reach WHQS compliance.
- 3.2** We are satisfied that, wherever practically possible, all properties meet primary WHQS compliance with the exception of refusals or acceptable fail criteria. We would only consider recording an acceptable fail if the cost of remedy was economically impractical.
- 3.3** The programme delivered on key objectives and outcomes which involved the installation of modern kitchens, bathrooms, re-wiring and heating improvements. Notable achievements included:
- Contract completion on time and within budget
  - Client and customer expectations have been met
  - Increased Tenant Participation and wider community benefits
  - The programme has, almost exclusively, employed local labour
- 3.4** Since 2013, Officers have been tasked with re-visiting all households which had previously declined to have certain elements of work carried out. We are confident that this pro-active approach will continue to further reduce the number of acceptable fails.

In view of the above, we will continue to allocate capital funding for internal works until we are satisfied that all of the Housing Stock reaches WHQS compliance. Funding for 2015-16 was in the sum of £750,000

- 3.5** Since completion of the Internal Investment Programme in December 2012 the capital investment team have successfully procured significant work contracts in connection with traditional external refurbishment and environmental improvements.

The general scope of the work undertaken or currently on site typically involves re-roofing, the application of an insulated render system, replacement windows and doors where appropriate, external works to include paths, fencing and boundary walls.

**3.6** During the 2015-16 financial year, the Authority's Council House Development Strategy 2015-2020 was approved and included targets to increase our housing stock by 95 units over the 5 year period. Over the 5 year period, 44 of the new dwellings will be existing properties. During 2015-16 financial year, we commenced the Development Program with the acquisition of 10 ex-council houses previously sold through the right to buy. It is our policy to ensure that all properties acquired as part of this Development Program will be refurbished and WHQS compliant prior to letting.

**4.0** Current Work Plans: April 2016

**4.1** The following table confirms our current position in connection with the renewal of key elements:

<b>Element</b>	<b>Total included on original scoping survey for replacement</b>	<b>Total carried out to date</b>	<b>Tenants Refusal</b>	<b>Total of properties not identified on scoping survey for replacement</b>
<b>Kitchen</b>	3073	3338	235	207
<b>Total of bathrooms / Level access shower</b>	2271	3229	178	373
<b>Re-wire</b>	1543	2799	180	801

It is our intention to undertake further survey work during 2016/17 on the elements that did not form part of work identified during original scoping surveys for internal investment works. Any works identified will be programmed for renewal during 2017/18, 2018/19 and 2019/20.

**4.2** It is our policy to undertake any outstanding internal WHQS works at end of tenancy. This will continue to be the case until all kitchen, bathroom and wiring elements are fully compliant. We acknowledge that this has a detrimental impact on void turnover statistics; however, it does provide certainty that elements will eventually be replaced.

Since completion of the Internal Investment Programme in December 2012, we have also been proactive in our approach to tackling former refusals and we welcome contact by tenants that have previously declined work. If a tenant is now in a position to have kitchen, bathroom, wiring or heating works carried out which was the subject of a past refusal, it is our policy to reprogram the work as

soon as practically possible. Works in this category may be carried out by our own workforce or by external contractors following a mini tender.

If former tenants have declined the opportunity to have gas central heating installed in a mains gas area, new gas connections and systems will be installed automatically at change of tenancy. We have 25 properties that potentially fall into this category.

- 4.3** A 3 year external whole house programme involving environmental improvements has been developed during Q1 2016. This investment will be a rolling programme involving renewal or refurbishment of chimneys, roofs, gutters, rendering, fences and paths. Traditional external planned maintenance will continue to form the basis of our capital investment plans for 2016-20.

## **5.0 Interpretation and Recording of Acceptable Fails**

- 5.1** It is not always practically possible to achieve full WHQS compliance. There are four scenarios which influence our ability to record element compliance, namely:

- Resident choice
- Physical constraint
- Timing of remedy
- Cost of remedy

Our policy and approach to interpretation, collection and recording of acceptable fails is outlined below.

- 5.2** The Council accepts that residents' should be consulted and have a choice about proposed improvement works to their homes. We have and will continue to accept that tenants may, for whatever reason, decide that they do not wish for certain internal improvement work to be undertaken. The only exception to this is that we will enforce works where there are health and safety considerations, for example, essential electrical upgrades required in order to produce a compliant Electrical Certificate.

When a tenant has refused work this is recorded as an acceptable fail due to resident's choice. This is applicable to internal works such as kitchen, bathroom and electrical re-wiring replacement. Resident's choice does not apply to major external programmes of improvement such as re-roofing, rendering, window and door replacements.

- 5.3** Accommodation in certain units is limited and full compliance with WHQS space standards is impossible due to physical constraint. It is not our policy to build kitchen extensions if kitchen volumes fail to meet WHQS criteria.

Notwithstanding the above, it is our policy to provide the most practical solution possible which may involve remodelling and/or reasonable structural modifications.

- 5.4** It is our policy to undertake external property improvements during programmed maintenance contracts. Traditional planned maintenance schemes will involve, wherever necessary, re-roofing, re-rendering, windows, doors and improvements to boundary fences, walls and paths. Our aim is to ensure that programmed works are carried out in a timely manner and before key elements such as roof structure and covering, external walls, external windows and doors and chimneys fall out of repair.

Full compliance with secured by design guidance for external spaces and, in particular, perimeter fences is not deemed practical outside planned maintenance schemes due to timing of the remedy.

- 5.5** Cost of remedy does influence our ability to comply with the WHQS target that all properties should have an energy rating (SAP) of 65 or over. The Council has 1200 properties that are not connected to the gas network and there is little prospect for further future expansion of the mains gas infrastructure.

In reality, this means that we have properties that fail to reach a rating of 65 even though the homes are adequately heated by means of modern, relatively economical and programmable central heating systems. When these properties also have cavity insulation, loft insulation (300mm) and energy efficient double glazed windows and doors the Council will record an acceptable fail due to cost of remedy. Further information in connection with energy efficiency is found under **WHQS+ Standard at 8.0** below.

It is our target that the average energy rating of our stock will be 70 and that 90% of the stock will have an energy rating of 65 or over by 2020.

## **6.0 Data Collection**

- 6.1** During 2008 Housing Services engaged the professional services of a suitably qualified company, namely Savills, to undertake a full condition survey of the public sector housing stock. The procurement process involved complying with the requirements of the Public Contracts Regulations 2006 and the Official Journal of the European Union (OJEU).

**6.2** The primary purpose of the aforementioned survey was the identification of works required to each property in order to inform and implement a strategy for compliance with WHQS by 2012. The condition survey involved collecting the following key information:

- Basic Welsh Housing Quality Standard assessment and identification of key elements requiring replacement.
- Addition for enhancement to a full stock condition survey, including assessment against the HHSRS, with anticipated failure date of elements and 30 year cost projections covering all aspects of the property.
- Identification of existing and potentially required adaptations for disabled and / or elderly residents.
- Assessment of the properties in accordance with RDSAP 2005.
- Asbestos survey in accordance with MDHS 100.

**6.3** In addition to stock condition survey data, the following areas of data collection are a valuable source of accurate information that informs WHQS reporting and compliance:

- i)** Void Inspections: Following completion of the Internal Investment Programme void inspections and, where applicable, subsequent capital related works contributes to the reduction of acceptable fails.
- ii)** Annual Gas, Oil and Solid Fuel Inspections: These inspections not only allow us to fulfil statutory obligations, the information gathered provides vital information for the continued monitoring of WHQS compliance. They also inform the timing of future capital investment requirements.
- iii)** EPC Certificates: Our EPC Certificates have not been updated to take into consideration significant capital investment since completion of the full stock condition survey in 2009/10. For example, measures installed during major loft insulation, renewable energy, external wall insulation and heating programmes will not have been recorded. It is our intention to resurvey all of our other properties for energy ratings during the period 2016 – 2020.
- iv)** Electrical Testing: It is our policy to undertake periodic testing every 5 years as part of a cyclical programme of approximately 750 per annum.

**6.4** Future data collection will, primarily, be gathered by in-house surveyors and recorded by systems officers on our asset management database. For example, the energy rating surveys mentioned above will be undertaken by suitably qualified in-house staff. Recording of all capital work undertaken will be done by our Assets and Performance Team.

## **7.0 Data Storage and Management**

- 7.1** Keystone is our asset management database. The Keystone asset management solution suite was installed as part of a new Housing Management System and is an integrated product designed specifically to facilitate operations within the Technical Services function of social landlords.
- 7.2** Savills' stock condition survey of 2009 and 2013 provided core data for the Keystone database. The Savills' survey was a component based stock condition survey which was updated to reflect all WHQS capital works undertaken during the internal investment programme 2008 – 2012. The survey data was, in the first instance, loaded into Savills' specialist software to enable validation of the survey and to undertake analysis and cost reports. The information was then migrated into the Keystone Asset Management Software.
- 7.3** Keystone records property attributes, WHQS component replacement, lifecycle replacement cost forecasts, energy assessments and EPC's and HHS data. Keystone also hosts our MDHS compliant Asbestos Register. We utilise the Keystone Servicing and Inspection module to manage annual or periodic servicing in connection with heating, electrical testing and fire risk assessments. The system enables us to establish and maintain an equipment register, record workflows and produce standard tenant letters.
- 7.4** Responsibility for maintaining Asset Management data lies with our Assets, Performance and Health and Safety Team. Component information is continually updated on completion of all capital, cyclical and void turnover works. Keystone will enable the collation of accurate data for reporting purposes both internally and externally including WHQS data reporting to Welsh Government.

## **8.0 Independent Verification of WHQS Compliance**

- 8.1** Our Housing Stock Business Plan for 2012 – 2013 confirmed our intention to commission a post-Internal Investment Programme Stock Condition Survey in order to:
- Seek independent verification that WHQS compliance has been achieved;
  - Inform future investment planning priorities and financial requirements; and
  - Update Stock Condition data prior to the adoption of asset management software, namely Keystone.

Following a report to the Council's Executive Committee during June, 2013 the Housing Service engaged the services of an experienced company, namely Savills, to undertake a representative sample of 20% of the Housing Stock.

**8.2** Below is an Executive Summary of the Stock Condition Survey undertaken by Savills during the summer of 2013:

*"1.1 In accordance with your instructions we have undertaken a stock condition survey of your housing stock, in summary, the main objectives of the exercise were:*

- a) To provide accurate and statistically reliable information concerning repairs and maintenance as well as improvement costs forecast over a 30 year term;*
- b) To collect, validate and report upon attribute and condition information about the stock for the purpose of improving existing records and future maintenance planning;*
- c) To establish a methodology upon which further surveys may be undertaken in the future to supplement this survey exercise;*
- d) To provide accessible, reliable and easily maintainable planning data for future repairs, maintenance and improvement programmes;*
- e) To assess the properties in accordance with the Welsh Housing Quality Standard.*

*1.2 The total stock comprises 3,805 properties and we have surveyed a representative 20% sample. The sample has been carefully chosen to ensure a representative mix of properties based on the different types and locations. This information has been combined with a 100% survey we carried out in 2009 and updated to reflect the capital investment in the stock since that time.*

*1.3 The overall impression of the stock gained from the surveys is that it is in good condition having enjoyed the benefits of substantial investment.*

*1.4 The Council has finished the internal modernisation programme which consisted of new kitchens, bathrooms, rewires and heating systems. Whilst there has been investment in the external and environmental areas continued investment will need to be carried out to meet the ongoing obligations of the WHQS.*

*1.5 Our survey has included an assessment of the properties against the criteria set out in the WHQS. Other than where the residents have refused work or it is not pragmatic to carry out the work the housing stock meets the requirements for the WHQS.*

- 1.6 *We have identified a programme of work to maintain properties to the WHQS over the next 30 years, where practical to do so. Our assessment of the total repairs and maintenance costs of the stock for the next 30 years equates to a figure of £29,340 per unit. This cost purely relates to the actual building work and is exclusive of any management costs, revenue expenditure and VAT. It also excludes any allowance for future inflation or any decanting costs in the event that this is necessary.*
- 1.7 *The work identified as part of the stock condition survey has been priced by means of a Schedule of Rates. The rates we have adopted reflect those being paid by the Council as part of the major works programme. The unit rates are, in our experience, competitive and represent good value for money. In terms of life cycles, we have applied industry standard life cycles to the building elements.”*

**8.3** Life cycles of key components, mentioned in 1.7 above, allowed for within our 30 year cost projections include:

- Kitchen – 15 years
- Bathroom – 25 years
- Boilers – 15 years
- Radiators – 25 years
- Full re-wire – 25 years

**8.4** It is our intention to engage external consultants to undertake validation of our stock condition information prior to 2020. This will involve a further stock condition survey, either full or representative, and an audit of information held and independent verification of whether or not we remain WHQS compliant.

**8.5** The Housing Service has undertaken a detailed audit of information held on Keystone to assess accuracy and clarity during 2016.

Our compliance with WHQS will be independently verified annually by suitably qualified external specialists in the Housing Sector. The verification process shall include a review of data collection procedures, maintenance of the asset management database and analysis of WHQS progress and compliance.

**8.6** The Housing Service will provide WHQS Compliance Certificates at re-letting stage from Q3 2016-17 together with Energy Performance Certificates.

The Compliance Certificate will inform new tenants of work previously undertaken at the property and of any future planned works during the next 3 years.



## **9.0 WHQS+ Standard**

- 9.1** The Council has not adopted a WHQS+ Standard; nevertheless, we have invested in certain projects and standards that could be interpreted as exceeding basic requirements, especially in connection with timing of certain works, energy efficiency, renewable energy and tackling fuel poverty. For example:
- 9.2** It is our policy to install electric showers over suitable non slip baths. Baths have and will continue to be upgraded to non-slip regardless of age and condition.
- 9.3** Recently we completed a fuel switching project in partnership with Wales and West Utilities that enabled 235 Council properties to be connected to mains gas and have A rated condensing boilers and central heating installed.
- 9.4** 450 of our properties benefit from renewable energy technology. A total of 370 dwellings have Solar PV systems and a further 80 have Solar Thermal installations. During 2016/17 a further 26 Solar PV systems form part of our committed projects.
- 9.5** It has been our policy to upgrade solid wall properties with external wall insulation (EWI) since the 1990's. Following completion of the Internal Investment Programme it is our policy to install EWI as an integral part of all traditional planned maintenance schemes that involve properties with cavity walls. A total of 156 properties will benefit from this energy saving measure during 2016/17 as part of our capital investment programme.
- 9.6** Planned maintenance schemes that involve properties off the mains gas network will be considered for renewable energy measures, typically Solar PV, subject to technical suitability and affordability.

## **10.0 Summarised Annual Financial Investment in the Stock**

- 10.1** A summary of all costs and an elemental summary for the whole stock is included at **Appendix 1**. Total costs have been divided into repair categories and the total cost per tenanted property over 30 years is £29,340.
- 10.2** The primary category, namely Programmed Renewals, provides adequate cover for the periodic overhaul / refurbishment / renewal of building components to keep the property in lettable condition and WHQS compliant. All building elements have a natural life expectancy, at the end of which they have to be replaced. Life expectancies used to generate cost forecasts are

based on industry standards, RICS and BRE publications: “Life expectancies of building components” and our own experience.

- 10.3** The Stock Condition Survey and costs at Appendix 1 includes for an assessment of the Council’s financial obligation to maintain the stock’s related assets. These would generally include but are not limited to garages, un-adopted roads and footpaths, amenity areas and hard standings. Other categories include Catch up Repairs, Asbestos Management and Environmental Improvements.
- 10.4** The work identified in the 30 year plan has been priced using a schedule of rates based on the Council’s experience of letting contracts and Savills’ experience of working with similar Local Authorities. All costs are exclusive of management and administration charges, revenue expenditure professional fees, any decanting costs and VAT.
- 10.5** Further detailed financial information can be found in our latest Housing Stock Business Plan. The latest version can be found at: (insert link)

## **11.0 WHQS Progress Monitoring and Reporting**

- 11.1** The Welsh Government requires that all stock retention authorities prepare an annual Housing Stock Business Plan. The Business Plan is a long term financial forecast which relies on certain key assumptions to assess the financial viability of maintaining WHQS compliance over a 30 year period.
- 11.2** Award of Major Repairs Allowance (MRA) grant relies on WG approval of annual Business Plans. The MRA grant, currently worth £2.65m per annum, is a financial contribution from WG towards the cost of capital works to achieve WHQS and to maintain standards thereafter. The Business Plan is also submitted to the Council’s Executive Committee for approval annually.
- 11.3** In April 2014 self-financing was introduced in Wales. This has enabled stock retaining authorities to retain all the rental income generated from the housing stock. Following the HRA Subsidy buyout, the Housing Service has strengthened governance arrangements and a Housing Board has been established to monitor performance and capital investment. Board members include the Council Leader, Portfolio Holders for Housing and Finance and senior staff from Housing and Finance.
- 11.4** From 2016 we will produce an annual WHQS Investment Summary to cover all of our investment activity during the year. This will include for investment in maintaining WHQS, environmental projects, new build and the purchase of existing properties.

**11.5** Regular progress on Capital Investment will be shared with tenants during regular tenant forums and newsletters.

## **12.0 Recording of Community Benefits**

**12.1** Anglesey County Council endorses and supports Welsh Government views that capital investment in housing can realise significant additional community benefits. Historically, our most significant investment, the Internal Investment Programme, was put together with complete consideration given to the use of local contractors and the use of employment and training obligations. Our procurement was the first tender to adopt Targeted Recruitment and Training clauses as part of the WHQS CAN DO Toolkit.

**12.2** Following completion of WHQS Internal Investment Works, practically all of our contracts have been made available to Wales based companies via the sell2wales website. In addition, since April 2015 it is our policy that all capital investment contracts with an estimated value above £500k will include community benefit clauses and a requirement that successful contractors complete the Value Wales Measurement Tool to demonstrate benefits achieved.

**12.3** Procurement is viewed as a key driver for delivering the organisation's Sustainable development commitments. Isle of Anglesey County Council is keen to secure added value benefits for our major capital projects and in this respect, tenderers are asked to provide a method statement outlining what social, economic or environmental benefits they feel they can achieve as part of the project they are tendering for.

Examples of areas for tenderers to focus on are listed below although this list is not exhaustive and tenderers are encouraged to offer benefits over and above those listed below:

- Work experience opportunities
- Apprenticeship opportunities
- Advertising any sub-contracting opportunities via Sell2wales in order to allow opportunities for local sub-contractors.
- Working with local schools and colleges (e.g. site visits, health & safety talks within schools etc.)
- Support to local projects (e.g. staff time, sponsorship etc.)
- Contributing to any environmental initiatives within the area

The contractor will also be required to provide 160hrs work experience placement per relevant candidate per £500,000 of capital expenditure. The tenderer will ensure that the individuals are given the opportunities to gain their CSCS certification. Relevant candidates would be unemployed people or young people who are out of work and education. Careers Wales and Job Centre

Plus, or equivalent, will be able to provide contact details for relevant candidates. Support is also available from Construction Skills in making the links with young people who are eager to take advantage of these opportunities.

The contractors selected on the larger projects shall also adopt the Pathways to Apprenticeship programme by Welsh Government to place annually one participant per £1,000,000.

The authority also actively participates in the completion of the Wales Value Toolkit by the Welsh Government to record Community, Social and Economic Benefits that our larger capital projects deliver.

### **13. Review**

This policy will be reviewed by the Technical Service Manager in March 2017, or in response to changes in legislation or Welsh Government Directives.

### **14. References**

- Welsh Government (July 2008) Welsh Housing Quality Standard.
- Altair on Behalf of Welsh Government (2014) – Welsh Housing Quality Standard: Verification of Progress in Achieving the Standard. Welsh Government Social Research.
- Letter; Kath Palmer, Welsh Government (July 2015) – The Welsh Housing Quality Standard (WHQS – Verification in Achieving and Maintaining the Standards: Next Steps. Welsh Government.
- Letter; Kath Palmer, Welsh Government (March 2015) – The Welsh Housing Quality Standard (WHQS) – Verification in Achieving and Maintaining the Standards@ Next Steps. Welsh Government.
- Savills Stock Condition Survey 2008 + 2013

A1 Appendix 1

October 2013

savills

**Isle of Anglesey County Council  
Stock Condition Survey  
30 Year Costs**

**Grand Total**

Element	Years 1 to 6	Years 7 to 10	Years 11 to 15	Years 16 to 20	Years 21 to 25	Years 26 to 30	Totals
Catch Up Repairs	£316,530	£0	£0	£0	£0	£0	£316,530
Programmed Renewals	£16,206,909	£12,025,761	£24,301,860	£17,047,469	£28,965,871	£3,880,423	£102,428,293
Improvements	£535,350	£0	£0	£0	£0	£0	£535,350
Contingent Major Repairs @ 3%	£502,268	£360,773	£729,056	£511,424	£868,976	£116,413	£3,088,909
Related Assets	£999,000	£999,000	£999,000	£999,000	£999,000	£999,000	£5,994,000
Asbestos Management	£1,198,800	£0	£0	£0	£0	£0	£1,198,800
Environmental Improvements	£3,996,000	£0	£0	£0	£0	£0	£3,996,000
<b>Grand Total</b>	<b>£23,438,326</b>	<b>£13,385,533</b>	<b>£26,029,916</b>	<b>£18,557,893</b>	<b>£30,833,847</b>	<b>£4,995,836</b>	<b>£117,241,352</b>
<b>Total per Annum</b>	<b>£4,687,665</b>	<b>£2,677,107</b>	<b>£5,205,983</b>	<b>£3,711,579</b>	<b>£6,166,769</b>	<b>£999,167</b>	<b>£22,469,354</b>

**Total Cost per Tenanted Property over 30 years** £29,340

**Stock Total = 3,996**

**Base Date August 2013**

All costs are exclusive of Professional Fees, VAT, management and administration costs and are based on today's prices. Costs are inclusive of preliminaries.