

PERTH AND KINROSS COUNCIL**Housing and Health Committee****26 August 2015****Scottish Housing Quality Standard****Report by Executive Director (Housing and Community Care)****PURPOSE OF REPORT**

This report details the determined work by Perth and Kinross Council in achieving 92.3% compliance with the Scottish Housing Quality Standard by March 2015. This marks a key milestone for the Council and compares favourably with the Scottish national average of 90.5%. The report also outlines proposals for the continuing maintenance and improvement of the Council's housing stock.

1. BACKGROUND

- 1.1 The Scottish Housing Quality Standard (SHQS) was introduced in February 2004 and has been the Scottish Government's principal measure of social housing quality in Scotland.
- 1.2 The SHQS comprises of five broad housing criteria which must all be met if the property is to pass and consists of 55 elements and 9 sub-elements against which properties need to be measured. To meet the standard a dwelling must:-
 - Be compliant with the tolerable standard
 - Be free from serious disrepair
 - Be energy efficient
 - Have modern facilities and services
 - Be healthy, safe and secure
- 1.3 The 2015 target for compliance only applied to houses owned by Scottish Local Authorities and Registered Social Landlords and did not include private landlords, Ministry of Defence housing or owner-occupied housing. The Council outlined its strategy for improving its housing stock to achieve compliance with SHQS by the target date of March 2015 in its Standard Delivery Plan in 2005.
- 1.4 The SHQS guidance acknowledges that it may not be possible to achieve full compliance for a variety of reasons and dwellings can be recorded as 'exempt' from the standard or as an 'abeyance'.
 - Exemptions reflect the situation where particular quality requirements cannot be achieved for technical, disproportionate cost or legal reasons.

Exemptions may be temporary or permanent depending on circumstances and may eventually achieve compliance with the standard should technology and/or cost parameters change.

- Abeyances reflect the situation where individual quality improvements are possible, but where works have not been completed due to owner refusals in mixed tenure blocks and tenant refusals to participate in the Council's improvement programmes.

- 1.5 The Council's 2005 Standard Delivery Plan predicted that full compliance was unlikely to be achieved by 2015 and highlighted potential exemptions for the elements relating to Controlled Door Entry Systems and Home Energy Ratings.

2. SHQS COMPLIANCE 2015

- 2.1 The overall number of houses that were considered to be fully compliant with SHQS at 31 March 2015 was 6,846, 92.3% of the Council's total housing stock of 7,415 properties. This compares favourably to the national average of 90.5%. Perth and Kinross had a higher compliance rate than thirteen of the twenty six local authorities included.

- 2.2 The 569 houses (7.7%) that did not meet SHQS comprised 157 exemptions (2.1%), 363 abeyances (4.9%) and 49 failures (0.66%).

- 2.3 The reasons for compliance not being fully achieved, requiring exemptions or abeyances to be applied were due to:

- Controlled door entry systems and secure common access
- Home energy rating below NHER 5 or SAP 5(Standard Assessment Procedure) 0/60

These abeyances and exemptions were mainly the result of neighbouring owner-occupiers / private landlords refusing to contribute towards the cost of improvements and property characteristics being unsuitable (either for technical reasons or disproportionate cost). Only one property failed to meet the standard on more than one of the SHQS assessment criteria.

- 2.4 Although a number of blocks of flats were exempted from meeting this standard, discussions are continuing with owner-occupiers to encourage them to agree to key improvements as part of Phase 4, the final phase of this capital development.

- 2.5 The 49 recorded 'failures' comprised the following elements

- Cavity wall insulation
- Bin stores
- Safe common paths / paved areas
- Home energy rating

- 2.6 We are continuing our efforts to reduce the recorded number of failures by sourcing grants to help owners pay for high value works in communal blocks e.g. external wall insulation through the Scottish Government's Home Energy Efficiency Programmes for Scotland – Area Based Schemes and Energy Company Obligation. Work is also continuing to implement Tenement Management Schemes to encourage owners to participate and contribute to funding communal works. Finally, work continues on installing renewable energy measures, such as solar water heating or air sourced heat pumps, in areas that are not on the gas grid.
- 2.7 A table detailing the performance of Perth & Kinross Council in comparison to other Scottish Local Authorities is contained in Appendix 1.

3. PROPOSALS FOR CONTINUING COMPLIANCE / FUTURE INVESTMENT

- 3.1 The Council has a continuing obligation to make sure houses which currently meet the standard are adequately maintained to prevent them from falling into disrepair and into a position of non-compliance in future years.
- 3.2 The energy efficiency element of SHQS has been supplemented by the Energy Efficiency Standard for Social Housing (EESH). This standard raises the required level of household energy performance and has a target compliance date of March 2020. Achieving this standard in some properties will be challenging, particularly for those of non-traditional construction and for those located in 'off gas' areas.
- 3.3 The 2015 stock condition survey included an assessment of the Council's current EESH performance. The results indicate that 73.4% of houses already achieve the requirements of the EESH standard. The average SAP (Standard Assessment Procedure) rating for the Council's housing stock is estimated at 70 which is above the Scottish average of 66 for Local Authority Housing.
- 3.4 The Housing Revenue Account (HRA) Capital Investment Programme 2014-20, which was approved by Housing and Health Committee on 28 January 2015 (Report 15/50 refers) contains provisions for achieving compliance with EESH and ensuring that the SHQS standard is maintained in future years. The planned investment in Central Heating Upgrades and Insulation Improvements will help to meet the requirements of EESH whilst other programmes such as External Fabric Renewals, Environmental Improvements, Window / Door Replacements and Cyclical Planned Maintenance will all help to keep the stock compliant with the main SHQS criteria. Progress with these is reported monthly to the Council's Strategic Investment Group, as well as to elected members through reports to Strategic Policy and Resources Committee.

4. CONCLUSION AND RECOMMENDATIONS

- 4.1 The Council's housing stock is generally considered to be in a good state of repair which is reflected in the positive results in meeting the Scottish Housing

Quality Standard. The planned investment in improvements and repairs already approved by Housing and Health Committee will make sure the stock continues to meet the requirements of the Scottish Housing Quality Standard.

4.2 The existing level of compliance with the new Energy Efficiency Standard for Social Housing reflects the considerable work that has already been done to improve energy efficiency in the Council's housing stock. This provides a sound basis on which further improvements can be targeted and plans to extend and continue these works are already in place.

4.3 It is recommended that Housing and Health Committee:-

- (i) Notes the content of this report and the Council's very positive achievement in meeting the Scottish Housing Quality Standard.
- (ii) Instructs the Executive Director to bring forward future reports on planned investment and monitoring of future Housing Quality Standards once clarification of the new standards is available

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1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

Strategic Implications	Yes / None
Community Plan / Single Outcome Agreement	Yes
Corporate Plan	Yes
Resource Implications	
Financial	Yes
Workforce	None
Asset Management (land, property, IST)	Yes
Assessments	
Equality Impact Assessment	None
Strategic Environmental Assessment	None
Sustainability (community, economic, environmental)	Yes
Legal and Governance	None
Risk	None
Consultation	
Internal	Yes
External	None
Communication	
Communications Plan	Yes

1. Strategic Implications

- 1.1 The Single Outcome Agreement for Perth and Kinross and the Perth and Kinross Council Corporate Plan 2013-18 have five concurrent outcomes which provide clear strategic direction, inform decisions at a corporate and service level and shape resources allocation. The following are relevant to this report:

- Promoting a prosperous, inclusive and sustainable economy
- Creating a safe and sustainable place for future generations

2. Resource Implications

Financial

- 2.1 The financial resources required to deliver the proposals contained in this report are already contained in the approved Capital budget. The Head of Finance was consulted as part of the Capital Budget setting process which was reported to the Housing and Health Committee on 28 January 2015 in the Housing Revenue Account (HRA) Strategic Financial Plan Incorporating the 5 Year Capital Investment Programme and Rent Strategy to 2019/20, Reserves Strategy and Other Housing Charges for 2015/16. (article 15/50 refers).

Workforce

- 2.2 There are no direct workforce implications regarding this report.

Asset Management (land, property, IT)

- 2.3 The properties included in these proposals contain HRA housing. These proposals are in accordance with objectives contained in Council's Housing and HRA Asset Management Plan 2012-2017. The works being carried out to Council owned stock will contribute towards the achievement of both the Scottish Housing Quality Standard and Energy Efficiency Standard for Social Housing.

3. Assessments

3.1 Equality Impact Assessment

Under the Equality Act 2010 the Council is required to eliminate discrimination, advance equality of opportunity and foster good relations between equality groups. Carrying out Equality Impact Assessments for plans and policies allows the Council to demonstrate that it is meeting these duties.

The proposals have been considered under the Corporate Equalities Impact assessment process (EqIA) with the following outcome:

- (i) Assessed as not relevant for the purpose of EqIA.

3.2 Strategic Environmental Assessment

The Environmental Assessment (Scotland) Act 2005 places a duty on the Council to identify and assess the environmental consequences of its proposals. However, no further action is required as the proposals contained in this report do not qualify as a PPS as defined by the Act and it is therefore exempt.

3.3 Sustainability

These proposals meet the following sustainability criteria:

- Energy conservation through improved insulation measures
- Where possible using materials from sustainable sources
- Re-use of existing resources

3.4 Legal and Governance

The Head of Legal Services has been consulted and there are no direct legal implications of this report.

3.5 Risk

None associated with this report.

4. Consultation

Internal

- 4.1 The Head of Finance and Support Services and Head of Legal Services have been consulted on this report.

External

- 4.2 The Tenant Committee Report Panel was consulted on this report. They noted the contents of this report and congratulated staff on the good progress so far and asked staff to keep up the good work.

5. Communication

- 5.1 Communication with tenants and owner-occupiers affected by the HRA Investment Programme will be undertaken by means of letters, personal home visits and locally arranged open meetings. Local members will be kept advised of schemes in their wards.

6. BACKGROUND PAPERS

The following background papers as defined by section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to a material extent in preparing the above report.

- Housing Revenue Account (HRA) Strategic Financial Plan Incorporating the 5 Year Capital Investment Programme and Rent Strategy to 2019/20, Reserves Strategy and Other Housing Charges for 2015/16. (article 15/50)

7. APPENDICES

The following documents are appended to this report.

- Appendix 1 – Table detailing SHQS compliance at 31 March 2015 from Scottish Housing Best Value Network



