

## Consultation on a reformed Decent Homes Standard for social and privately rented homes

### L&Q Response

September 2025

#### About L&Q

L&Q is one of the leading housing associations in the country. We house around 250,000 people, mainly from across London, the South East and North West of England. Our vision is that everyone deserves a quality home that gives them the chance to live a good life. We are coming towards the end of our current 5-year strategy and have already made significant progress, including:

- Launching a £3 billion, 15-year major works investment programme that will make sure every resident's home is safe, decent and more energy efficient.
- Implementing a new localised housing management approach that has put 30% more frontline colleagues in local neighbourhoods.
- Improving the quality and responsiveness of our repairs service through a change programme which has already delivered a 20% increase in first-time fix on day-to-day repairs.
- We're also developing new systems and ways of working to improve how we manage our data and information, and how we communicate with residents, particularly vulnerable residents who may need different types of support

However, we are operating in a very challenging economic environment, with rising interest rates, inflated costs and capped rents putting pressure on our ability to spend. We have committed to investing significant sums to bring our homes and services in line with changing regulatory standards, and the decisions we make are centred around safeguarding that investment.

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#### **Executive Summary**

L&Q welcomes the government's efforts to reform the Decent Homes Standard (DHS) to reflect modern expectations that ensure all homes are safe and decent. We strongly agree in principle with a majority of the proposed changes and additions to the standard, however we are concerned with the potential high costs that they will incur. In our view, the government has significantly underestimated the average perproperty cost of meeting the new DHS, which could have serious financial implications for landlords. (We have outlined our initial expectations regarding additional costs in our response to Question 43a.) We would therefore advocate for a 2037 implementation date, so as to have longest possible lead-in time to ensure compliance with the new Standard.

We are deeply appreciative of Government's recognition of the critical role social landlords play in the spending review, and the announcement of a 10-year Social and Affordable Homes Programme (AHP), a 10-year rent settlement, and equal access to building safety funding for social landlords, among other measures. However our commitment to safeguarding the quality and safety of our homes still exists alongside navigating a challenging financial landscape. As a large social landlord, we already have many pre-existing demanding and costly priorities, which sit alongside our need to deliver new affordable housing. Thus, despite these generous funding commitments, compliance with the new Decent Homes Standard mean social landlords will face substantial, previously unaccounted for, financial and operational challenges.

In practice, the financial commitment required for compliance with additional requirements for decency, will significantly hinder the number of homes that we will be able to build. This is not only due to the potential impact it will have on our financial capacity, but also on the industry's capacity to undertake both new build developments and maintenance works required to make homes decent. High demand and limited supply chain capacity/skilled personnel is also likely to push up costs even further. Even amidst prevailing requirements and Standards (i.e. the current DHS, fire-remediation works and Awaab's Law), there is currently unprecedented demand for skilled construction workers.

As we are in agreement with government's aim to raise the overall standard of social homes, we are happy to contribute the necessary internal resource, given we are provided with a reasonable timeframe to prepare for the reformed Standard. We therefore advocate for the implementation date of the new Standard to be in 2037. An earlier target for compliance risks significant non-compliance and reputational consequences for the sector.

While we support the government's intentions and most of the individual proposals, our ability to achieve full compliance is heavily dependent on both our financial capacity to deliver the final scope and the broader sector's ability to absorb the cumulative demands. At present, this appears unachievable without adequate grant funding or additional financial support. Crucially, not just the amount but the terms of the grant are key - illustrated by the Social Housing Decarbonisation Fund, which has struggled to deliver the expected scale of retrofit due to restrictive grant conditions. Delivering decent and safe homes on an ongoing basis requires long-term stability and the ability to plan - particularly through sustained funding to support both the initial and ongoing costs of the DHS.

#### Response

#### **Demography Questions**

1. In which capacity are you completing these questions?

Private registered provider of social housing (e.g. housing association)

2. If responding as an individual, where do you live?

Not applicable

3. Landlords and estate/letting agents only: Where are the majority of properties you let located?

Greater London and Greater Manchester

4. Landlord only: How many rental properties do you own or manage?

50,000 plus

5. Landlord only: Which of these options best reflects how you would describe yourself or organisation?

Private Registered Provider e.g. housing association (social rented sector)

6. Landlord only: Do you provide supported housing?

Yes

7. Landlord only: Do you provide temporary accommodation?

No

8. Tenant only: Is anyone living in your property under the age of 5?

Not applicable

9. Tenant only: Is anyone living in your property over the age of 65?

Not applicable

10. Tenant only: Do you live in a House in Multiple Occupation (HMO)?

Not applicable



#### **Consultation Questions**

#### <u>Updating the Definition of Disrepair (Criterion B)</u>

#### 11. Do you agree that age should be removed from the definition of disrepair?

We broadly support the removal of age-based requirements, as we believe that disrepair should primarily be assessed based on the actual condition of the component. However, we do have a few important caveats to note:

We are concerned that this requirement will effectively take this work from the stock condition programme (and planned maintenance field), and into the responsive repairs field. The age of a component is a key factor in enabling us to plan proactively for its replacement, at the end of its lifecycle. If assessments are based solely on condition, it becomes difficult to keep track of and monitor components and forecast when major repairs or replacements will be needed. This will have an adverse impact on long-term business planning and the ability to maintain a robust maintenance programme.

Resultantly, costs are likely to rise due to the loss of efficiencies typically achieved through planned programme design, especially as this uncertainty increases the likelihood that such work will be carried out reactively, rather than as part of a structured, forward-looking maintenance strategy. This could significantly impact the responsive repairs and minor works budget. With this in mind, and given the impracticality of maintaining live data on every component across all homes, our stock condition databases are likely to continue to use age parameters as a guide for timescales – the systematic approach of 'lifecycles' are the only practical way to plan.

Finally, tracking and managing the compliance of various components is likely to require the integration of data from multiple systems, and it is likely that a dedicated resource may be necessary to be responsible for this - an addition that would carry further cost implications.

Ultimately, whilst condition should serve as the primary trigger for replacement or major repair, it may be more practical to allow landlords to continue utilising age as a useful indicator, or at least acknowledge its relevance. Although lifecycle data is indicative in nature, it remains essential for strategic planning of future works and financial forecasting. This also allows for efficient delivery for contractors as well as providing assurance to the regulator.

### 12. Do you agree that the thresholds used to define disrepair for each component should be updated to reflect a more descriptive measure as proposed?

Yes, we agree.

However, in some instances, the description can be even more detailed, so as to be clearer, i.e. for kitchen and bathrooms, we believe 'major repairs required' to be too ambiguous.

## 13. Do you agree that the number of items or components which must require major repairs for the component to be considered in disrepair should be reduced?

At this stage, we are unable to agree or disagree. We would appreciate a more detailed definition from government regarding what constitutes a 'major repair' for each component. This clarity is essential to ensure that only significant issues - rather than minor ones - are appropriately brought into the scope of disrepair.



## 14. Do you think that that removing age as a consideration from disrepair would lead to less planned maintenance of your properties and more reactive repairs carried out in response to issues raised by tenants?

Yes, we do think that this will be the natural consequence of removal of age from the definition of disrepair. Please refer to our response to Question 11 for more detail.

### 15. Do you agree that kitchens and bathroom components should be considered as "key" i.e. one or more in disrepair would cause a property to fail the DHS?

Yes, we agree. Kitchens and bathrooms are essential household components and therefore the Standard should deter them from falling into complete disrepair. This also seems appropriate as either one of these components in disrepair would be sufficient for a Legal Disrepair claim, as a breach of the tenancy conditions under the Landlord Tenant Act.

### 16. a) Do you agree with the proposed list of building components that must be kept in good repair?

No

#### b) If you have any views on this specific question you would like to share, please do so here

We do not agree with the proposed list on the basis that we do not support extending the DHS to communal spaces (components that relate to the public realm). We believe the standard should remain centred on individual dwellings. This focus ensures the Standard delivers the most direct and meaningful impact on residents' daily lives, while also maintaining an effective, clear and enforceable regulatory framework.

Please see our response to Question 18.

#### 17. Do you agree with the proposed "key" components and "other" components as listed?

Whilst we agree with most of the proposed "key" and "other "components, we do not agree with those related to the public realm. Please see our response to question 18.

We also remain particularly concerned about the current definitions for each component, as there is scope for interpretation. This could lead to uncertainty around what constitutes an acceptable standard or what qualifies as 'poor condition', potentially resulting in disagreements over a landlord's responsibility to carry out repairs - especially in cases where issues are purely aesthetic rather than structural or functional.

Additionally, we anticipate that the expanded scope of some components, if included (i.e. boundary walls and curtilage, or rainwater goods) could lead to a notable increase in responsive repairs. The issues included within some of the definitions are works typically addressed reactively, rather than through planned maintenance, which highlights the need to consider the potential impact on our responsive repairs budget to meet these new demands.



# 18. Do you agree that the suggested additional components that relate to the public realm (boundary walls, curtilage, pathways and steps, signage, external lighting, bin stores) should only apply to the social rented sector?

No. We do not agree that public realm components should be brought within the Standard, or that this requirement should apply only to the social rented sector.

We believe the Decent Homes Standard should remain focused on the condition of individual homes. This is where its regulatory purpose is most clearly defined, it can be most efficiently enforced and where it can deliver the greatest benefit to residents.

We already take proactive steps to ensure estates are safe and well-maintained, including via regular inspections and timely repairs. Features like boundary walls/communal pathways are already managed through these routine estate inspections. Including these within DHS reporting would introduce unnecessary administrative complexity, without a proportionate improvement in outcomes. Moreover, components such as external lighting are already governed by fire and building safety regulation.

Furthermore, deducing who is responsible over external areas is often challenging as it can be unclear, or complications can arise where responsibility is shared. This is especially the case in mixed-tenure developments or where managing agents are involved. Extending DHS to cover these spaces could lead to confusion over accountability. It could also increase financial strain, particularly for leaseholders who may face additional charges.

Lastly, as registered providers face the same practical challenges as private landlords, imposing stricter standards solely on the social housing sector therefore risks creating an imbalance that may not be justified.

19. If you have any views on these specific questions you would like to share, please do so here N/A

#### Facilities and services (Criterion C)

### 20. a) Do you agree that under the new DHS landlords should be required to provide at least three out of the four facilities listed?

Yes, we agree.

However, we would appreciate further clarity on what 'adequate' entails within each listed requirement. We are concerned that if this is not clearly specified, determining whether a property meets the standard could depend on subjective interpretations of what constitutes an acceptable facility.

#### b) If you said No, are there any of the facilities that you would prioritise?

(Please select all that apply) Kitchens / Bathrooms / Noise Insulation / Communal Areas

N/A



c) Do you believe that the "multiple choice" nature of Criterion C (i.e. landlords must provide at least three out of the four facilities listed) could lead to any practical implications for tenants, landlords and/or organisations responsible for regulating/enforcing the standard?

No, we do not believe that this will lead to any practical implications.

d) If there is anything else you would like to add on this specific proposal, please do so here N/A

#### Window restrictors (Criterion C)

21. Do you currently provide child-resistant window restrictors that can be overridden by an adult on dwellings with windows above ground floor?

We do provide window restrictors to many dwellings.

However, as window restrictors are not currently part of the Standard, we do not currently have up-to-date data on which properties within our stock have restrictors that are suitably child-resistant (in relation to the new requirement). Therefore, it will take a considerable amount of time for us to gather the data on this.

22. Do you agree with the proposal that all rented properties must provide child-resistant window restrictors that can be overridden by an adult on all windows which present a fall risk for children (as defined above including a recommended guarding height of 1100mm)?

In principle, we generally agree that window restrictors should be installed to ensure residents, and especially children, are safe in their homes. However we ask that these security standards must be met at the point of replacement, due to the vast number of our windows that still have a long remaining lifecycle.

That said, we would welcome further clarification on what constitutes a suitable, 'child-resistant' window restrictor – and this should align with both Building Regulations and the HHSRS.

Whilst for new installs the task of providing restrictors will be straightforward, as noted in our response to Question 22, once we determine which of our properties currently have window restrictors, we may need to consider replacing existing ones to ensure they meet the required Standard. We expect the operation of going in to hundreds of homes, to initially check current windows restrictors, and then to upgrade them to be very costly. Moreover, some windows may be difficult to retrofit or may still have a long-remaining lifecycles and so if we are required to replace these sooner than planned, this will incur an additional high cost.

Our primary concern with the proposal is that many manufacturers specify the need for annual servicing of window restrictors to ensure they remain functional. This presents a potentially significant resource and financial burden. Moreover, it would require residents to give us access to their homes on a fairly regular basis, following initial installation. We also urge government to consider any potential trade-off between fire-safety and child-safety that this may introduce.



b) If there is anything else you would like to add on this specific proposal, please do so here  $\ensuremath{\text{N/A}}$ 

#### Proposal 4: Home security measures (Criterion C)

23. a) Do you think that home security requirements in relation to external doors and windows are sufficiently covered in the Decent Homes Standard?

Yes, we believe it is sufficiently covered.

We welcome this proposal, particularly as L&Q residents have expressed that this is important to them, as feeling safe in their homes is vital to their overall wellbeing.

b) If you responded No to part a), should we consider additional security requirements in relation to external doors and windows in the Decent Homes Standard?

N/A

c) If you responded Yes to part b), should we consider giving landlords the option to comply with Part Q requirements in Building Regulations?

N/A

d) If there is anything else you would like to add about the impact of introducing additional home security measures (such as challenges, costs), please provide detail here

We agree with the implementation of this proposal, as long as the expectation for installing security measures is at the next window install date (within a planned programme of works), rather than having to retrofit windows with a long remaining life-cycle. This is particularly important given that we have a number of older homes as well as new-builds, where the window materials make retrofitting extremely challenging.

Our only other caveat here lies around the potential for a trade-off between fire safety (and means of escape) and security – as doors and windows that require a removable key to exit can potentially pose an escape hazard.

#### **Suitable floor coverings (Criterion C)**

24. a) Do you think that landlords should provide suitable floor coverings in all rooms at the start of every new tenancy from an agreed implementation date?

In principle, we support this proposal. We recognise that there are numerous benefits to providing floor coverings for residents, including: concerns or even anxiety over finances (especially if using any savings or taking out loans to pay for flooring) and reducing stigma associated with social housing residents. As an organisation, we are deeply committed to tackling stigma and promoting dignity in housing, and flooring plays an important part in this by enabling a property to feel like a true home. This



can also help minimise social isolation, as residents are more likely to feel comfortable inviting others into their homes.

However, we have significant concerns about the costs associated with this proposal. We currently are/will be unable to afford to provide floor coverings, unless dedicated funding routes are made available to landlords. We have provided further detail on the costs in our response to Part b.

#### b) If you have any views on this specific question you would like to share, please do so here

We are particularly concerned about this proposal, as providing suitable flooring (typically carpet) in all rooms at the start of a tenancy would be extremely costly. Although we previously provided flooring as part of our void standard, we made the decision to discontinue this due to the high costs involved, as well as the significant impact it had on void turnaround times.

According to our historical approach to flooring, the average cost for L&Q to supply flooring to all rooms in a void property was £2,317. For a landlord of our scale, with approximately 73,000 social homes and an annual void rate of over 3% (around 2,200 properties), this could result in costs exceeding £5 million per year.

Moreover, as landlords are responsible for all fixtures and fittings at the time of let, we will remain responsible for its replacement in cases of damage or wear throughout the duration of the tenancy - potentially resulting in a significant ongoing annual cost. This can be especially costly if we are expected to replace or repair a carpet due to any damages, even if caused by the resident. Additionally, the requirement to inspect properties within the first year of tenancy to ensure that provided floor coverings are suitable and meet the required standard introduces further demands on resource (i.e. tracking and data collection).

It is also important to consider that providing flooring to all rooms at the start of a tenancy may limit tenant choice or result in unnecessary expenditure if residents later choose to upgrade to suit their own preferences.

Therefore whilst we recognise the importance of floor coverings for our residents, as noted in response to part a, this is not an improvement to standards that we are in a position to finance. Unless the government is able to provide specific funding to cover the initial (and ongoing) costs of fitting flooring, we, at most, would be able to offer financial assistance toward the cost of flooring to our most financially-vulnerable residents. This is something that we already do through our existing financial support offer.

In L&Q's resident response to this consultation, a small majority agreed with the proposal to provide floor coverings, however it was the least strongly supported among all proposals presented – with 46% of residents opposing its introduction. Therefore, if the government intends to implement this measure as part of the reformed DHS, we would urge them to work closely with landlords, residents, and sector bodies to ensure its implementation is both cost-effective and allows for residents to retain choice in their homes.

#### 25. a) Do you provide floor coverings in any of your dwellings?

Yes, in Kitchens and Bathrooms only, (which are installed during our void process).



### b) If you responded Yes to part a) to providing floor coverings, can you provide details of costs here?

For Kitchen and Bathrooms only, costs of providing floor coverings are either:

- Polysafe with subbase: £53.40 + VAT + contractor upgrade per square meter
- Polysafe: £37.67 + VAT + contractor upgrade per square meter

The average kitchen size is 10 square meters, whilst the average bathroom size is 4 square meters.

Polysafe with subbase is used on around 80% of properties, due to existing floor conditions.

c) If you responded Yes to part a), in regard to responsibility of repair and maintenance for floor coverings do you: (please select one)

We have responsibility for repair and maintenance of flooring (within kitchens and bathrooms) as part of the tenancy agreement.

d) If you answered Yes to part a) to providing floor coverings, in the dwellings you let, which rooms do you currently provide them in? (select all that apply)

Kitchen and Bathroom.

e) When or if you replace floor coverings in the dwellings you let, do you? (select one)

We sometimes replace floor coverings within Kitchens and Bathrooms, as part of our void process.

f) What proportion of your new lettings do you expect would require new floor coverings (including replacements) each year?

51% to 75% - Kitchen or Bathroom floors are replaced at least 50% of the time.

g) What proportion of your new lettings do you expect to reuse and clean existing floor coverings (rather than provide new replacements) each year?

For Kitchen and Bathrooms – 26% - 50% of new lets.

Historically, where we did provide flooring (carpet) throughout the whole property, in most cases we did not retain flooring from previous tenancies. Properties were stripped back to void standard for safety and hygiene reasons. This was often due to issues such as staining, fleas or bed bugs, or potential hazards such as slips, trips, and falls.

h) If floor covering were to form part of the DHS, do you agree with the proposed measurement approach for whether a dwelling passes or fails the suitable floor coverings element of the standard? Yes/No/Don't know/Other (please provide details)/Not applicable

Yes, we agree with the proposed measurement approach.

#### Streamline and update thermal comfort requirements (Criterion D)



### 26. Do you agree with the proposal that the primary heating system must have a distribution system sufficient to provide heat to the whole home?

Yes, we agree.

This proposal supports our priority of ensuring the health and wellbeing of our residents, including by helping to prevent damp and mould in homes. While our asset plan already includes the provision of programmable heating capable of warming the entire home, this is currently structured as a 15-year programme. If the DHS is implemented later, by 2037, we would be better positioned to adjust this to a 12-year timeline, rather than accelerating it to 10 years.

27. Are there other thermal comfort requirements that you think should be included in the DHS beyond current MEES proposals?

No.

28. If there is anything else you would like to add on this specific topic please do so here Not applicable.

#### Properties should be free from damp and mould (Criterion E)

29. a) Our expectation is that, to meet the DHS, landlords should ensure their properties are free from damp and mould. Do you agree with this approach?

Whilst we strongly agree that there should be higher standards around damp and mould in residents' homes, and that action should be taken quickly if any cases are found, we have some concern over the additional strand that this requirement adds to the existing regulatory regime around the issue.

Currently, damp and mould is regulated through both the HHSRS and Awaab's Law:

- Under HHSRS, damp and mould is assessed based on its risk to health. A Category 1
  hazard requires mandatory enforcement by local authorities.
- Awaab's Law introduces fixed timeframes for landlords to act on damp and mould hazards that
  pose a significant risk of harm with investigations required within 10 working days and
  remediation within 5 working days of concluding the investigation.

The proposal to also regulate damp and mould under the DHS adds a third layer. DHS uses HHSRS banding (A–H) to determine failure, excluding only the mildest Category 2 hazards. It expects landlords to act promptly when damp and mould is identified, without requiring a formal HHSRS assessment, and to follow Awaab's Law timeframes if the hazard is significant.

This may create areas of potential overlap and confusion. All three frameworks require action when damp and mould is reported, but the triggers and timelines differ, which could lead to uncertainty around thresholds for action. As a result, landlords may adopt an overly cautious approach, treating all damp and mould cases as high-risk under Awaab's Law, to avoid legal failure. This could significantly increase the financial and operational burden where it might not be necessary, especially given limited capacity



and resources. It would be useful if timeframes/thresholds were integrated into a single operational guide for landlords, to avoid parallel processes and reporting.

Moreover, the DHS discourages formal HHSRS assessments, yet relies on HHSRS banding – it should be made clearer then, when HHSRS assessments are necessary.

Whilst it is positive to raise the bar in relation to acting on damp and mould cases, we are also uncertain about whether this will bring a lot of homes with relatively minor damp and mould issues into the scope of non-decency. The inclusion of minor (Category 2) damp and mould issues within the DHS is out of scope with the rest of the Standard. The purpose of the Standard is to address significant structural concerns to a home, prevent disrepair, and ensure homes are safe and meet a liveable standard - not to cover routine, reactive repairs. Like other day-to-day repairs, minor instance of damp and mould should continue to be managed through existing maintenance processes rather than being elevated to the level of structural non-compliance.

b) Criterion E will be in addition to the requirements under Awaab's Law as it aims to prevent damp and mould reaching a level that is hazardous. If, however, damp and mould in a property were to become severe enough to cause 'significant harm', landlords would have to comply with Awaab's Law to ensure prompt remediation and, if they do not, tenants will be able to take action in the courts. The damp and mould standard in the DHS should however help to prevent damp and mould getting that severe. Do you agree with this approach?

We do not agree. As the DHS is primarily assed during stock condition surveys, which are only undertaken on an intermittent basis, this is not the best way to identify instances of and prevent damp and mould. The best prevention is residents reporting issues early, which they are able to do under Awaab's Law and are guaranteed to get a prompt response (assessment).

Please also refer to our response to Question 29.

30. To ensure the standard is met, regulators and enforcers will consider whether the home is free from damp and mould at bands A to H of the HHSRS, excluding only the mildest damp and mould hazards? Do you agree with this approach?

Yes, we agree in principle, as this helps to uphold a high standard in addressing damp and mould issues. However, we are uncertain whether this warrants an additional layer of regulation through the DHS (as well as the HHSRS). Please refer to our answer to Question 29.

31. If there is anything else you would like to add on this specific proposal please do so here.

N/A

### Application of the DHS to temporary accommodation and supported housing and implications for leasehold and commonhold tenants and landlords

32. Do you agree all other aspects of the DHS in relation to bathrooms and facilities should still apply to temporary accommodation which lacks kitchen and cooking facilities and/or separate bathroom facilities?

N/A

33. a) Are there any other elements of the DHS which have not already been identified which are likely to be challenging to apply to temporary accommodation?

N/A

b) If answered yes to Q33a), please give details

N/A

34. Do you think the proposed DHS requirements will impact temporary accommodation supply?

N/A

35. a) Are there any challenges you foresee in applying the outlined DHS proposals in Supported Housing?

No

b) If you have any views on this specific question you would like to share, please provide details.

We do not foresee any challenges and support the fact that residents within supported housing, who are particularly vulnerable, should not have any less a standard than those in general needs.

36. a) Do you agree with the proposed approach to enforcement for rented properties that are leasehold?

We cannot currently say that we agree or disagree with this proposed approach, as we believe it currently lacks clarity and there exists contradictions that have not properly been thought through. Please see our response to part b.

b) Do you see any unintended consequences or risks with this approach, including for residentowned blocks?

Where we are the head lessee, clarity is needed on which requirements can be imposed on the superior landlord (who is in control of the building) outside of the requirements of the lease. Additionally, it is unclear how such requirements would be enforced in practice.

There is also a need to understand whether we would fail the DHS, if the element causing the failure falls outside of our control.

37. a) Do you feel that any of the proposed policies create costs for leaseholders (including owner occupiers who live in mixed-tenure buildings) that go beyond what they would expect to cover currently in terms of repair and maintenance liabilities?

Yes.

b) If you have any views on this specific question you would like to share, please do so here

The DHS sets to expand to building components that need to be kept in good repair, such as communal lifts and fire safety measures. All of these proposed elements will be rechargeable to some, if not all residents, within a building. For example, a recent case has determined that tenants are liable for the

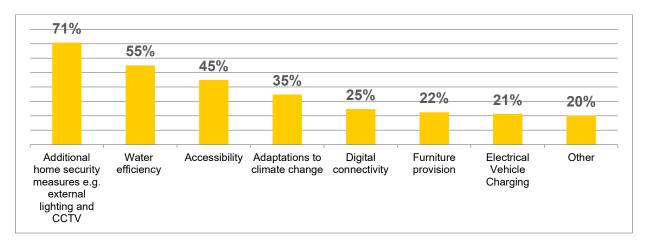
repair costs of a lift, as it is not covered under Section 11 of the Landlord & Tenant Act 1985. We predict that this would also likely apply to Fire Alarm Systems, Sprinklers, Fire Safety Signage, Door Entry Systems and External areas.

We recognise that costs of meeting other requirements are not likely to cause costs to be higher than what leaseholders would already expect to pay under the terms of the lease, however, the wording of any lease would still need to be considered in any circumstance, to assess whether incurring the cost is deemed to be reasonable.

#### **Guidance**

### 38. a) What information and/or topics would you like included in the proposed additional best practice guidance for social and private landlords and tenants? (Select all that apply)

Our resident response to the consultation highlighted that L&Q residents would welcome Guidance on all topics, but particularly on: additional home security, accessibility, and water efficiency. Below is a graph of what percentage of respondents selected each topic.



Residents expressed that CCTV and lighting would help reduce vandalism and improve overall safety. Several noted that feeling secure in their homes is fundamental to wellbeing. Others spoke about the urgent need for air conditioning and energy-efficient systems, linking this to climate change and the increasing discomfort during warmer months.

#### b) If you have selected 'Other', please say what you would like to be included

N/A

#### 39. If you have any other views on this specific topic you would like to share, please do so here

We appreciate that guidance is intended to support good practice and provide helpful direction. However, we have observed that it can sometimes evolve into an expectation - from residents, as well as from the Regulator or the Housing Ombudsman. Where landlords are expected to 'consider' guidance, it may be interpreted as mandatory, creating pressure to justify decisions even in areas where flexibility was originally intended. Furthermore, any of the issues listed are complex and open to interpretation, and without clear definitions, there is a risk of inconsistency and challenge. To avoid this, we believe it is essential for government to make any guidance as clear as possible and to explicitly state whether

guidance is advisory in nature or statutory.

#### **Implementing the Decent Homes Standard**

#### 40. a) What do you think the implementation date for the DHS should be in the SRS?

We advocate for a 2037 implementation date, as this would also allow sufficient time to bring our stock up to the new standard (including surveying homes, reconciling data and undertaking works) and to distribute the associated costs more evenly over several years. This would also be in line with the precedent set from the introduction of the previous DHS – a minimum of 10 years to prepare once the new Standard is finalised and formally introduced.

Our current Major Works programme, a 15 year programme beginning in 2022, has an allocated budget of £2.7 billion, (of which we've spent £300 million up until 31 March 2025). The estimated costs of the new DHS go beyond those already accounted for in our asset investment and group financial plans, meaning further time will be required to revise budgets, secure funding, and ensure financial readiness to meet these additional demands. We have detailed the expected additional costs of the new Standard in response to Question 43a.

There's also the need to consider the impact of the reforms on the wider industry – if there is not enough time to implement the Standard, this will likely to lead to a spike in costs due to the increased demand for skilled workers, as well as the inability for the wider sector to cope with the demand.

b) If Other - What do you think the implementation date should be?

N/A

41. a) What do you think the implementation date for the DHS should be in the PRS?

N/A

b) If Other - What do you think the implementation date should be?

N/A

42. a) Do you support phasing in some elements of the new Decent Homes Standard ahead of the proposed full implementation dates (2035/2037)?

No. We do not support the phased introduction of some elements, as we are already managing a wide range of compliance and regulatory requirements ahead of 2035. Our preference is to have the maximum possible lead-in time to prepare for these additional obligations. Simplicity would also allow for easier compliance.

b) If Yes – Which elements of the new DHS do you think should be introduced ahead of the proposed full implementation dates (2035/2037)?

N/A

43. Are you confident in your ability to deliver works to meet the updated Decent Homes Standard by the proposed implementation dates (2035/2037)?

#### a) For Social Housing Landlords only: Within current income forecasts in the SRS?

While we are committed to delivering high-quality homes, we are currently unable to provide assurance that the required works to meet the new Decent Homes Standard by 2035 or 2037 can be achieved within our existing income forecasts and financial capacity. We therefore strongly recommend that the government considers additional funding or grant support for landlords. Given the scale of investment needed and the cumulative financial impact of the proposed scope of the new DHS facing landlords, we strongly urge the government to consider providing additional funding/targeted grant support to enable timely and effective compliance across the sector.

It is also important that this consultation is considered within the broader context of the growing number of regulatory requirements being placed on the sector. Furthermore, we would greatly appreciate further clarity on critical issues - such as the pathway to achieving Net Zero – so that we can anticipate the potential costs associated with these future requirements.

We estimate that the additional cost for L&Q to achieve compliance with the new DHS (excluding MEES compliance) by 2037 will be £101,319,444.

As outlined in our response to the MEES consultation, the total cost of achieving EPC C - after accounting for budgeted works already included in our Asset Investment Plan and long-term financial strategy - is projected to be £409 million. This estimate is independent of the implementation date of MEES; however, we anticipate requiring until 2040 to fully accommodate this expenditure. Should earlier compliance be required, we expect the cost to rise accordingly.

In total, then, the combined cost of achieving full compliance with the DHS (including MEES) is estimated at £510,319,444 – where DHS compliance is required by 2037 and MEES compliance by 2040. From 2037 onwards, the ongoing annual cost of maintaining compliance with the DHS is expected to be £16,664,661, excluding inflationary adjustments.

Please see the tables below for further detail:

Measure	2026/27	2027/28	2028/29	2029/30	2030/2031	2031/2032	2032/2033	2033/2034	2034/2035	2035/36	10 yr Total
W&D Security Measures		-	-	-	-	-	-	-	-	-	-
Child Proof Windows	641,667	660,917	680,744	701,166	722,201	743,868	766,184	789,169	812,844	837,229	7,355,989
Programmable Heating		-	-	-	-	-	-	-	-	-	-
Shortened Boiler Cycle	6,600,000	6,798,000	7,001,940	7,211,998	7,428,358	7,651,209	7,880,745	8,117,168	8,360,683	8,611,503	75,661,603
Free from Damp & Mould	264,820	261,854	269,710	277,801	286,135	294,719	303,561	312,668	322,048	331,709	2,925,027
Disrepair	1,398,163	1,382,504	1,419,951	1,458,566	1,502,323	1,547,393	1,593,815	1,641,629	1,690,878	1,741,604	15,376,825
Total (DHS excluding MEES)	8,904,650	9,103,275	9,372,345	9,649,531	9,939,017	10,237,189	10,544,305	10,860,634	11,186,453	11,522,045	101,319,444
EPC C		-	-	-	-	-	-	-	-	-	409,000,000
Total (DHS including MEES)											510,319,444

Figure 1 – Total cost of compliance with DHS by 2037 (and MEES by 2040)

#### Figure 1:

- These figures represent the projected costs required to bring our stock up to the new standard by 2037. This includes both new interventions and the acceleration of works already planned within our existing programmes.

- Window and Door Security Measures These costs are already accounted for within our Major Works programme. We do not anticipate there to be additional costs, unless we are expected to replace these sooner than what is planned within our Major Works specification or where existing security measures are deemed non-compliant with the updated Standard and must be replaced.
- Window Restrictors Since approximately one-third of windows are due for replacement within
  the next decade (based on the typical 30-year replacement cycle), a portion of this cost is already
  accounted for in our Major Works programme. This figure therefore reflects the additional cost of
  replacing the other two-thirds of windows by the compliance date, which is beyond our current
  expectations.
- Programmable Heating / Shortened Boiler Cycle: The installation of programmable heating is included in the contracted cost of a boiler replacement. This figure therefore assumes an acceleration of full replacement of domestic gas boilers across our housing stock by 2037. It excludes properties with communal heating systems and is intended to cover all relevant homes.
- Damp and Mould / Disrepair These costs reflect the estimated expenditure for remedial works on properties that have damp and mould issues and/or are either at risk of falling into disrepair. In light of the stricter standards and a potential increase in reported cases, we've assumed we'd adopt a more proactive approach for approximately 10% more cases than currently addressed. Accordingly, we've estimated that 10% of the annual budget would be required to carry out these remediation works.

Measure	Annual Compliance Cost post-2037
Floor Coverings	5,979,845
W&D Security Measures	-
Child Proof Windows	-
Programmable Heating	-
Shortened Boiler Cycle	8,611,503
Free from Damp & Mould	331,709
Disrepair	1,741,604
Total	16,664,661

Figure 2 - Annual DHS Compliance Cost post-2037

#### Figure 2:

- These figures reflect the ongoing annual costs of compliance with the new DHS, from 2037 onwards.
- Floor Coverings The cost of providing floor coverings to all rooms within a home at the start of every tenancy, assuming 2,200 units per year.

To note: we also expect that additional requirements on "key" and "other" components (i.e. on boundary walls and curtilage) could significantly drive up responsive repair expenditure. These costs detailed in the tables do also not consider the costs related to preparation, such as surveying homes, consolidating data or making changes to IT systems. Therefore, we expect *real* costs to be higher.

Without additional funding or grant support, diverting resources to meet new decency requirements will be difficult to achieve given competing and pressures (i.e. building and fire safety, Awaab's Law), and will inevitably impact other core business activities, such as new build development. Furthermore, supplier and specialist capacity, along with the risk of price inflation due to increased demand, adds another layer of complexity to delivery planning.

### b) For all Landlords: Alongside other regulatory requirements including Awaab's Law and MEES?

No.

#### c) Please give supporting details?

We currently allocate an annual budget of £11 million to support damp and mould inspections and for subsequent minor remedial works, covering approximately 4,000 to 5,000 cases. However, we anticipate an increase in costs due to a rising number of cases, potential legal disrepair claims, and the need for additional works and decants following the implementation of Awaab's Law. We have already allocated over £300,000 to prepare for and ensure we are ready for compliance with Awaab's Law. Further assessment is still required to determine the additional resources needed for full implementation once the legislation goes live, including the estimated increase in costs of additional cases and repair works.

The cost of MEES, which we currently understand to sit at around £21,500 per unit (for approximately 19,400 units that are sub-EPC C), is within itself a huge financial demand. We would not be able to meet the proposed 2030 implementation date within our current income forecasts, particularly while also preparing for additional requirements under the reformed DHS. We have outlined these concerns in our response to the MEES consultation, and whilst we instead believe a revised implementation date of 2040 for MEES to more realistic, grant funding will still be essential to meet the combined financial demands of both standards.

### 44. Considering the need to meet both Minimum Energy Efficiency Standards and the Decent Homes Standard, do you plan to deliver savings by:

### a) Prioritising measures which will both improve a property's energy efficiency and help meet the DHS?

Our current Asset Strategy prioritises works related to ensuring the decency of our homes, however these often overlap with improving the energy efficiency of a property (i.e. we can provide better insultation via the upgrading of windows or roofs).

However, in general, due to limited funding, we are generally unable to prioritise energy efficiency measures and retrofitting homes to EPC C to the same extent as works that achieve decency or health and safety interventions.



b) Reducing overhead costs by programming combined works to meet both standards?

Yes.

c) Please give supporting details

The reduction of overhead costs are achieved whereby energy efficiency works (e.g. as achieved via the SHDF) are included as part of Major Works programmes, and so we are able to utilise the same partners and project managers.

- 45. Will achieving the updated Decent Homes Standard by the proposed implementation dates (2035/2037) only be achievable by reducing discretionary spending compared to your current plans?
- a) Yes/No/Partly/Other/Not applicable

No

b) Please providing supporting detail

In the first instance, a vast majority of our budget is directed toward obligations such as health and safety, existing decency standards and statutory compliance, leaving limited room for discretionary investment. Nonetheless, meeting the reformed DHS presents considerable financial and operational challenges - both internally and across the wider supply chain. The costs of retrofitting to EPC C mean that achieving full compliance with MEES by 2030, in particular, is not possible, regardless of a reduction of spending in other areas.

- 46. Question 46 (For PRS landlords and tenants):
- a) Do you agree that only criterion A should be a Type 1 DHS requirement?

N/A

b) If No - which other criteria do you think should be a Type 1 DHS requirement?

N/A

c) Please give supporting details

N/A

47. If there is anything else you would like to add on this specific section? If so, please do so here

N/A

#### Meeting the Standard

48. a) Do you agree that providers should be given flexibility from meeting the DHS where tenants refuse access?

Yes, we agree.

b) Do you agree that there should be additional guidance issued by the government to provide more detail on tenant refusals?

Yes, we agree.

c) Do you agree that providers should be given flexibility from meeting the DHS where there are physical or planning factors preventing compliance?

Yes, we agree.

d) Do you agree that providers should be given flexibility from meeting the DHS for non-compliance due to sale, demolition, or planned regeneration of properties?

Yes, we agree.

e) If there is anything else you would like to add on this specific question please do so here.

N/A

49. a) Do you agree that statutory enforcement guidance should specify that local authorities should exercise discretion on enforcement when physical or planning factors prevent compliance with a DHS requirement?

N/A

b) Should statutory enforcement guidance specify that local authorities exercise discretion on enforcement in situations of tenant refusal?

N/A

c) If there is anything else you would like to add on this specific question please do so here.

N/A