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Date: 31st August 2016

Dear Sir/Madam,

A meeting of the **Caerphilly Homes Task Group** will be held in the **Sirhowy Room, Penallta House, Tredomen, Ystrad Mynach** on **Wednesday, 7th September, 2016** at **5.00 pm** to consider the matters contained in the following agenda.

Yours faithfully,

A handwritten signature in blue ink that reads 'Chris Burns'.

Chris Burns
INTERIM CHIEF EXECUTIVE

AGENDA

	Pages
1 To Appoint a Chair and Vice-Chair for the Ensuing Year.	
2 To receive apologies for absence.	
3 Declarations of Interest.	

Councillors and Officers are reminded of their personal responsibility to declare any personal and/or prejudicial interest(s) in respect of any item of business on this agenda in accordance with the Local Government Act 2000, the Council's Constitution and the Code of Conduct for both Councillors and Officers.

To approve and sign the following minutes: -

A greener place Man gwyrddach



4	Caerphilly Homes Task Group held on 30th June 2016.	1 - 4
To receive and note the following information items: -		
5	Annual Review of the Tenancy Review Panel.	5 - 10
6	Housing Revenue Account Outturn 2015/16.	11 - 18
7	Sheltered Housing Schemes.	19 - 24

**If a member of the Caerphilly Homes Task Group wishes for the above information report(s) to be brought forward for discussion at the meeting, please contact Charlotte Evans on 01443 864210, by 10a.m. on Tuesday 6th September 2016.*

8 To receive any requests for an item to be included on the next available agenda.

Circulation:

Task Group Members: L. Ackerman, Mrs Y. Bryant, Mr C. Davies (Chair), Miss E. Forehead (Vice Chair), Ms J. Gale, K. James, Mrs B. A. Jones, Ms S. Jones, Miss A. Lewis, C.P. Mann, Mrs D. Moore, Mr J. Moore, D.V. Poole and Mr J. Smith,

And Appropriate Officers

Agenda Item 4



CAERPHILLY HOMES TASK GROUP (WELSH HOUSING QUALITY STANDARD)

MINUTES OF THE MEETING HELD AT PENALLTA HOUSE, YSTRAD MYNACH
(SIRHOWY ROOM) ON THURSDAY, 30TH JUNE 2016 AT 5.00 P.M.

PRESENT:

C. Davies – Chair
E. Forehead – Vice Chair

Task Group Members:

Mrs Y. Bryant, Mrs S. Jones, Miss A. Lewis and D.V. Poole.

S. Couzens (Chief Housing Officer), M. Betts (Community Participation Officer), P. Davy (Head of Programmes), E. Lucas (Head of Procurement) and C. Evans (Committee Services Officer).

1. APOLOGIES

Apologies for absence were received from L. Ackerman, J. Gale, K. James, B. Jones, C. Mann, D. Moore, J. Moore and J. Smith.

2. DECLARATIONS OF INTEREST

Mrs Y. Bryant, C. Davies, Mrs S. Jones and Miss A. Lewis, as Council Tenants declared a personal but not prejudicial interest in all agenda items.

3. MINUTES – 19TH MAY 2016

RESOLVED that the minutes of the meeting held on the 19th May 2016 be approved as a correct record and signed by the Chair.

4. WHQS ENVIRONMENTAL PROGRAMME

Mrs S. Jones, Caerphilly Homes Task Group Member called the information item forward for discussion at the meeting.

The report, which was presented by P. Davy, Head of Programmes outlined the arrangements for implementing the WHQS environmental programme.

The Task Group noted that, as part of the Wales Housing Quality Standard Programme requirements, in particular, Part 6, the Council committed to utilising £10.6m of the total investment to deliver an environmental programme. Part 6 specifies that 'all opportunities should be taken to make improvements to the immediate environment (within property boundary) and to the general environment' and that consultation with residents should be used to inform the process.

In September 2015, the Council appointed three Environmental Officers (EO's) to lead a programme of consultation and engagement which would underpin the delivery of the WHQS environment programme. The officers were each allocated a housing area and focused their efforts initially on gathering data and intelligence from previous research, the land asset review and intelligence from officers and local community groups who are familiar with the issues that are regularly notified by residents to the Council.

Since their appointment, the officers have been based within the Community Regeneration Team. On 6th June 2016, the three Officers moved from the Community Regeneration Team to Public Sector Housing to establish closer working relations with the Estate Management Officers (EMO's).

The Task Group thanked the Officer for the report and discussion ensued.

Clarification was sought on consultation with tenants, and it was noted that discussions thus far have only been with Officers. Officers highlighted that the role of the EMO's and EO's is to communicate with tenants within their Estates, gather information on complaints, concerns or suggestions and feed the information back for consideration. The Task Group were asked to note that the initial phase of the Environmental Programme would include "quick win" projects such as replacing bollards/ fences/ benches etc. The identification of the works has come from local knowledge of EMO's and EO's as a result of contact with tenants and local ward members. Larger projects will be subject to wider consultation with estates and there will be the opportunity to provide any comments and/or suggestions for project proposals. The Task Group would be provided with progress reports.

Discussions ensued and the Task Group sought reassurance that there would be opportunity for placements on projects. Officers explained that, where possible links will be made with other initiatives and the programme will be underpinned by engagement with tenants.

The Caerphilly Homes Task Group were pleased to note that the Environmental Officers have moved to Public Sector Housing, thanked the Officer for the report and noted its contents.

5. PROCUREMENT UPDATE REPORT

Mr C. Davies, Chair of the Caerphilly Homes Task Group Member called the information item forward for discussion at the meeting.

The report, which was present by E. Lucas, Head of Procurement, provided the Task Group with an update on the Procurement activity, which is currently in place to support the delivery of the WHQS programme.

The report detailed the number of contracts procured since the start of the WHQS Programme in October 2012, which included details of all Mini Competitions and Small Lots. In addition, the report provided details of arrangements which are currently out to market as part of new contracts necessary to deliver the WHQS.

The Task Group thanked the Officer for the detailed report and discussion ensued.

Clarification was sought on the Procurement arrangements for suppliers and labour and issues encountered as a result. The Officer explained that Robert Price is the sole supplier of materials for the WHQS contracts and there have been no issues in terms of the supply contractor. The Programme has experienced a number of issues in relation to the works contracts and contractors in that there have been capacity issues.

The Task Group noted that, in terms of Procurement, there have been 223 completed contracts that have been awarded to contractors and 32 are currently ongoing. The contracts vary in scale, and although complete from the Procurement perspective, does not necessarily mean the contract has been completed on the ground.

The Task Group sought further clarification on the contract award dates and length of time open, as well as the Procurement Order and process. Officers agreed to circulate additional information to the Task Group.

A Task Group Member queried the response rate to tenders and the process undertaken where responses have been poor and whether Procurement Processes have caused delays. The Officer explained that all Procurement is subject to EU Procurement guidance; therefore, tenders are advertised across the EU with invitations to bid. It was confirmed that, due to the responses received and capacity issues, there have been instances in which procurement processes have been followed but a contract could not be awarded. In these instances there can be delay until alternative arrangements are made.

The Caerphilly Homes Task Group thanked the Officer for the report and noted its contents.

6. INFORMATION ITEMS

The Task Group noted the following items for information, full details of which were included within the Officers reports. They were not brought forward for review.

1. Housing Repair Operations Annual Performance Update
2. Summary of Community Benefits Delivered During 2015/16 as a Result of the WHQS Programme.
3. Communications Action Plan Update.

7. TO RECEIVE ANY REQUESTS FOR AN ITEM TO BE INCLUDED ON THE NEXT AVAILABLE AGENDA

The following requests were received:-

1. A. Lewis requested a report on the Welsh Government guidance and interpretation of WHQS. The Task Group was reminded that the Compliance Policy had dealt with the interpretation of WHQS. It was agreed that Officers would provide the Caerphilly Homes Task Group with the External Works Guidance note to Surveyors.
2. A. Lewis requested a report on the impact leaving the EU will have on the WHQS. It was noted that such a report could not be provided at this time as the implications were unknown.

The meeting closed at 5.57pm

Approved as a correct record subject to any amendments or corrections agreed and recorded in the minutes of the meeting held on 7th September 2016.

CHAIR



CAERPHILLY HOMES TASK GROUP – 7TH SEPTEMBER 2016

SUBJECT: ANNUAL REVIEW OF THE TENANCY REVIEW PANEL

REPORT BY: CORPORATE DIRECTOR COMMUNITIES

1. PURPOSE OF REPORT

- 1.1 To provide an update to The Caerphilly Homes Task Group on the outcomes of cases presented to the Tenancy Review Panel.

2. SUMMARY

- 2.1 The Tenancy Review Panel was set up in June 2014. This report provides information on the cases presented to the panel from June 2015 to May 2016. During this period 68 cases were considered by the panel.
- 2.2 A recommendation was made to the Chief Housing Officer in 63 of the 68 cases that an eviction warrant should be applied for.
- 2.3 The recommendations were agreed by the Chief Housing Officer and eviction warrants were applied for in all 63 cases.
- 2.4 This report provides further information on these cases including reasons for the application for the eviction warrant and outcomes of the execution of these warrants.

3. LINKS TO STRATEGY

- 3.1 **Improving Lives and Communities: Homes in Wales (Welsh Government, 2010)** which sets out the national context on meeting housing need, homelessness, and housing-related support services.
- 3.2 **Caerphilly Delivers (Single Integrated Plan, 2013): P2:** *“Improve standards of housing and communities, giving appropriate access to services across the county borough.”*
- 3.3 **People, Property, Places: A Housing Strategy for Caerphilly County Borough** provides the context for the provision of housing and related services in the county borough.
- 3.4 **The Well-being Goals within the Well-being of Future Generations Act (Wales) 2015** sets out 7 well-being goals:
- A prosperous Wales
 - A resilient Wales
 - A healthier Wales
 - A more equal Wales
 - A Wales of cohesive communities
 - A Wales of vibrant culture and thriving Welsh language

4. THE REPORT

- 4.1 It was agreed at a Council Meeting on 19th November 2013 that a Tenancy Review Panel would be introduced to scrutinise proposed eviction decisions prior to progressing cases to court and make recommendations to the Chief Housing Officer.
- 4.2 It is acknowledged that being evicted from their home will potentially have an extremely negative impact on the well-being of the individuals concerned. This is why every effort is made to support the tenants and to ensure that eviction is the last resort. The establishment of the Tenancy Review Panel enables all the circumstances and issues of each case to be fully explored as part of this decision making process. Where tenants are neglecting or damaging a property or undertaking anti social behaviour or preventing access for essential health and safety inspections, the eviction of these tenants protects the housing stock, improves the well-being of neighbours and the wider community who may have been affected, and allows the property to be allocated to households on the housing register. This contributes to the goal of creating a Wales of cohesive communities.
- 4.3 During the period 1st June 2015 to 31st May 2016 68 cases were considered by the panel, compared with 51 during the same period the previous year.
- 4.4 The table below details the reasons for these applications.

Reason of application for warrant	Number of applications 2014/15	Number of applications 2015/16
Rent Arrears	41	54
No access to carry out gas servicing	5	5
Anti social behaviour issues	2	4
Illegal occupant	2	3
Unsatisfactory garden condition	1	1
No access to carry out asbestos survey	0	1
Total Number	51	68

- 4.5 A substantial amount of support is offered to tenants by our Tenancy Support Officers, Tenancy Enforcement Officers and Estate Management Officers prior to the cases being presented to the panel.
- 4.6 In addition, in many cases additional independent support is also offered by outside agencies such as the Citizens Advice Bureau, Gofal and Shelter. Cases are only referred to the panel when all avenues of support and assistance have been exhausted and the breach of tenancy is still ongoing. Details of each case, as well as all contacts and attempted contacts with the tenant are considered by the panel and included within the report to the Chief Housing Officer for consideration.
- 4.7 The panel recommended in 63 of the 68 cases highlighted above that an application be made to the County Courts for a warrant of eviction of the properties. These recommendations were agreed by the Chief Housing Officer.
- 4.8 The remaining 5 cases were adjourned pending further enquiries.
- 4.9 An application to the County court was made in each of the 63 cases and eviction dates received.

4.10 Eviction dates were obtained on the 63 cases however only 32 evictions actually progressed and the properties taken back. When an eviction date is received tenants have the right to apply to the County Court to have the eviction warrant set aside and officers continue to try to work with the tenants to avoid progressing to eviction.

4.11 The 31 cases which did not progress to eviction were due to the following reasons:-

- In cases of rent arrears tenants may pay the debt in full or a lump sum to reduce the balance which would result in the eviction being set aside.
- In cases of no access the tenant can allow access which would result in the eviction being set aside.
- In the case of poor garden conditions the tenant can improve conditions which would also result in the eviction being set aside.

4.12 The table below provides further details on the outcomes of the 63 cases:

Reason for application of warrant	Outcome – evicted	Outcome – set aside by court Eviction not carried out	Outcome – withdrawn by the Council	Total
Rent arrears	24	20	7	51
Failure to allow access	2		2	4
Illegal occupant	3			3
Anti Social Behaviour breach	3	1		4
Garden Conditions			1	1
Total Number	32	21	10	63

4.13 The make-up of the 32 tenant households evicted from their properties is shown in the table below.

Reason for application of warrant	House hold – family Eviction carried out	House hold – single Eviction carried out	Total
Rent arrears	11	13	24
Failure to allow access	0	2	2
Illegal occupant	0	3	3
Anti Social behaviour breach	1	2	3
Total Number	12 **	20	32

*** In 8 of the 12 cases there were dependent children in the household. In each of these 8 cases the tenant(s) left the property prior to the eviction being carried out.*

4.14 When the evictions were carried out, in 94% (30) of cases the tenants were not there and had either abandoned the property or left prior to the eviction. In many cases property conditions were very poor and showed evidence of other breaches of tenancy i.e. non occupation, anti

social behaviour and unsatisfactory property conditions. When a tenancy ends any wilful damage to the property is assessed and recharged to the responsible tenant and where the location of the tenant is not known this information is held on file in case the tenant submits an application for housing in the future or is otherwise located.

- 4.15 The homelessness legislation covered by part 2 of the Housing (Wales) Act 2014 requires the Council to provide advice and assistance to access alternative accommodation for any homeless household. In the case of households evicted through the Tenancy Review Panel process the Council would have no duty to provide further secure accommodation, even if the household is in one of the priority need categories.
- 4.16 The panel actively investigates the reasons why some tenants are unable to sustain their tenancies, with particular focus given to those that have held the tenancy for less than 12 months prior to eviction.
- 4.17 It is important to note that none of the cases presented to the Tenancy Review Panel involved tenants who were in rent arrears purely because they were affected by the spare room subsidy ("bedroom tax") or the benefits cap. No eviction warrants have been requested for tenants where rent arrears have arisen as a direct result of these welfare changes.
- 4.18 Tenants of Caerphilly Homes who are affected by welfare reform changes receive ongoing support from Tenancy Support Officers. These officers have a specific role created in October 2012. They discuss with tenants the impacts of the benefits changes and choices available to them, also providing them with the relevant support.
- 4.19 Tenants have been assisted by the Tenancy Support Officers to apply for discretionary housing payments (DHP) to help them to meet additional costs relating to welfare reform changes. It must be pointed out however that there are increasing demands on the Discretionary Housing Payment budget with changes to the benefit cap and other welfare charges due to be implemented during 2016/17. The amount available for DHP in Caerphilly County Borough has increased from 382k in 2015/16 to 462k in 2016/17.
- 4.20 A report was presented to Policy and Resources Scrutiny Committee on 2nd June 2015. This report sought approval for a revised policy for administration of the Discretionary Housing Payment fund. The report stressed that these payments are principally short term financial support towards long term sustainable solutions.
- 4.21 It is hoped that we can continue to support tenants and report that no eviction cases have been presented to the panel for tenants whose arrears are a direct result of welfare reform changes, however this will be increasingly challenging in forthcoming years with additional pressures being placed on the Discretionary Housing Payment fund and further changes being rolled out to the welfare system.

5. EQUALITIES IMPLICATIONS

- 5.1 There are no equalities implications associated with this report.

6. FINANCIAL IMPLICATIONS

- 6.1 The total rent arrears in the 32 cases where eviction warrants were executed amounted to £65,860.77. These are now classed as former tenant arrears and recovery work will continue to collect these outstanding amounts.

7. PERSONNEL IMPLICATIONS

- 7.1 There are no personal implications associated with this report.

8. CONSULTATIONS

8.1 All consultation responses have been reflected in this report.

9. RECOMMENDATIONS

9.1 That this report is noted for information.

10. REASONS FOR THE RECOMMENDATIONS

10.1 To ensure members of the Caerphilly Task Group are aware of the work and outcomes of the tenancy review panel.

11. STATUTORY POWER

11.1 There are no Statutory Powers associated with this report.

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Consultees: Cllr David Poole - Deputy Leader & Cabinet Member for Housing.
Christina HARRY - Corporate Director Communities
Shaun Couzens - Chief Housing Officer.
Fiona Wilkins - Public Sector Housing Manager
Julie Reynolds - Area Housing Manager.
Debbie Bishop - Area Housing Manager.
Rachel Thornett - Tenancy Enforcement Manager.
Kenyon Williams - Private Sector Housing Manager
Suzanne Cousins - Principal Housing Officer (Housing Portfolio)
WHQS Project Board

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CAERPHILLY HOMES TASK GROUP – 7TH SEPTEMBER 2016

SUBJECT: HOUSING REVENUE ACCOUNT OUTTURN 2015/16

REPORT BY: ACTING DIRECTOR OF CORPORATE SERVICES & SECTION 151 OFFICER

1. PURPOSE OF REPORT

- 1.1 To inform CHTG members of the outturn expenditure for the Housing Revenue Account (HRA) for the 2015/16 financial year.
- 1.2 CHTG members will be aware of the distinction between the HRA, which is funded by rental income received from council tenants, and General Fund Housing and Private Housing, which fall under the General Fund and is funded via the Council taxpayer. Although there is a clear separation of these funds, the majority of council tenants rent is funded from housing benefits which is derived from the tax payers purse and therefore value for money must always be sought.

2. SUMMARY

- 2.1 The report outlines the final outturn for the HRA based upon the expenditure and income for the full financial year.

3. LINKS TO STRATEGY

- 3.1 The content of the report is in accordance with the budget strategy agreed by Council at its meeting of 25th February 2015. Cabinet approved the HRA estimates on the 4th February 2015.
- 3.2 Budget management itself is in accordance with the Corporate theme of Delivering the Strategies.
- 3.3 The Wellbeing of Future Generations Act 2015 sets out the following wellbeing goals which link with the aims of this report:-
 - A sustainable Wales
 - A prosperous Wales
 - A healthier Wales
 - A more equal Wales
 - A Wales of cohesive communities
 - A Wales of vibrant culture and thriving Welsh language
 - A globally responsible Wales

4. THE REPORT

4.1 Introduction

4.1.1 The following paragraphs highlight the major budget variances.

4.2 HRA (£6.8m underspend)

4.2.1 The HRA outturn was a £6.8m under-spend, which represents 15% of the total HRA budget. The main variances are summarised below and full details are provided in Appendix 1.

4.3 Salaries & Mileage (£229k underspend)

4.3.1 Salaries and associated costs within the HRA generated savings of some £229k, which represents around 1% of the total salary budget. There are a variety of reasons for this given the volume of staff, but the main causes are staff turnover £444k, which includes savings such as long term sickness, opted out pension savings and vacant posts, offset by an overspend within the Housing Response Operations team of 334k which also includes staff turnover to address the increase in work experienced during the year, particularly as a result of extreme poor weather conditions through the winter period. The HRO team also installed over 120 kitchen and bathrooms, in addition to other elemental works to support the WHQS programme.

A further saving of £118k was achieved for other salary related budgets such as mileage allowances and agency staff.

4.4 CFR charges (£1.9m underspend)

4.4.1 This underspend relates to the buy-out from the Housing Revenue Account Subsidy (HRAS) in April 2015. In order to buy-out of the system, the HRA borrowed £75m. Initially this was thought to attract a Minimum Revenue Provision (MRP) of 2% in its first year but the Authority's Treasury Advisors (Arlingclose) have since confirmed that the MRP will be deferred by one year from the point of borrowing as is the case under normal borrowing circumstances.

4.5 Service Specific Related and Office Related (£2m underspend)

4.5.1 Non pay related budgets (which include office running costs, one-off projects and tenant related expenditure) have spent £2m less than budgeted. There are numerous variances within this category but an example of some of the savings are, Bad Debt Provision (£320k), provision for office relocation (£191k), DHP top up (£100k), HRO and stores operational costs (£508k), Utility charges (£55k), Central Recharges and SLA's (£58k), IT systems and equipment (£154k), Projects (£97k), Local Employment Fund (£13k), Tenancy Enforcement Projects (£38k), Training (£19k), Energy Performance certificates (£14k), and security of void properties (£13k).

4.6 Building Maintenance (£2.4m under-spend)

4.6.1 The HRA is utilised to fund the maintenance of the public housing stock.

4.6.2 Response Repairs sub accounts (£815k underspend) - In previous years this category would include the cost of response repairs which was charged via the Building Maintenance DLO. However, due to the merger of the DLO with the HRA, there is now an allocated budget for the Housing Repairs Operations (HRO). These costs are now split over salaries and non pay elements (as staff and materials are charged direct to the HRA) and are therefore shown elsewhere in this report. However, as part of the merger some budgets were streamlined more effectively to fit with the HRO service which included the Non-DLO budget which is typically used to contract works out that the HRO are unable to complete. This budget has underspent by £500k and is as a result of more work being undertaken in-house and the

externally contracted work being controlled more efficiently within the in house workforce in lieu of appointing external contractors on a framework arrangement. Damproofing works has also underspent by some £145k as a result of incorporating the work more effectively within the in-house team. Further savings of £170k have also been achieved on asbestos surveys where the budget incorporated an element for planned programmes. This is now charged directly to the WHQS programme.

- 4.6.3 Revenue Projects (£750k under-spend) – this category mainly includes budgets that fall outside of the other budgets remits (i.e. not planned, cyclical or in house responsive). The under-spend mainly relates to the contingency budget (£400k) where a small provision is set each year for any unforeseen repairs. Projects for sheltered complexes have underspent by £150k and the environmental infrastructure works budget of £200k has not been utilised this year.
- 4.6.4 Planned Cyclical (£845k under-spend) – this relates to costs associated with our statutory servicing and maintenance obligations, e.g. heating, electrical, and legionella testing. Under-spends in this area relate to Alarm & Light Servicing (£108k), Gas & solid fuel remedial works (£440k), Gas & Solid Fuel Servicing (£192k), Fire safety doors (£30k), Legionella testing (£18k), and electrical testing (£35k).
- 4.6.5 As part of the merger of the Building Maintenance DLO with the HRA, the WHQS holding account was set up to monitor the in house workforce costs that would be recharged to the WHQS capital programme. A budget of £8.8m was allocated in 2015/16 along with an income recharge to the capital programme so that the HRA had a nil cost. The same principle applied to the WHQS management team responsible for delivery of the WHQS programme where £1.8m budget was allocated with an associated income recharge to capital.
- 4.6.6 The in house workforce for WHQS overspent its budget by some £180k (2%) and the WHQS delivery team costs were some £230k less than anticipated.

4.7. Revenue Contribution to Capital (nil variance)

- 4.7.1 The HRA allowed for some £11.8m of revenue contributions towards the WHQS programme (not including delivery fees which are covered in 4.6.7 above).
- 4.7.2 The total expenditure on the WHQS capital programme was £28.6m against a budget of £36.3m. The HRA RCCO was therefore fully utilised to fund this spend in addition to the £7.3m Major Repairs Allowance (MRA) from Welsh Government and £7.9m from HRA balances earmarked for WHQS. The remaining balance was the funding of the delivery team fees from the HRA of £1.6m.

HRA Working balances

- 4.8.1 Working balances at the end of 2014/15 stood at £21m. This has been reduced by the £7.9m funding required for the WHQS programme but has increased by the £6.8m underspend from the HRA this year. The total working balances as at the 1st April 2016 (unaudited) is therefore £19.8m. The majority of this funding is earmarked to fund the WHQS programme. To date no borrowing has been undertaken to fund the WHQS programme.

5. EQUALITIES IMPLICATIONS

- 5.1 There are no potential equalities implications of this report and its recommendations on groups or individuals who fall under the categories identified in Section 6 of the Council's Strategic Equality Plan. There is no requirement for an Equalities Impact Assessment Questionnaire to be completed for this report.

6. FINANCIAL IMPLICATIONS

6.1 This report deals with the financial implications.

7. PERSONNEL IMPLICATIONS

7.1 There are no personnel implications.

8. CONSULTATION

8.1 Consultation responses have been reflected in this report.

9. RECOMMENDATIONS

9.1 CHTG members are requested to note the contents of this report.

10. REASONS FOR THE RECOMMENDATIONS

10.1 To inform Members of the financial position of the Housing Revenue Account.

Author: Lesley Allen - Group Accountant, Housing
(Tel: 01443 864470/E-Mail: allenl@caerphilly.gov.uk)

Consultees: Nicole Scammell - Acting Director of Corporate Services & Section 151 Officer
Cllr Dave V Poole - Deputy Leader/Cabinet Member for Housing
Christina Harry - Corporate Director Communities
Shaun Couzens - Chief Housing Officer
Stephen Harris - Acting Head of Corporate Finance
Fiona Wilkins - Public Sector Housing Manager
Paul Smythe - Housing Repairs Operations Manager
Marcus Lloyd - Deputy Head of Programmes

Appendices

Appendix 1 HRA financial plan outturn 2015/16

Appendix 1

HOUSING	Page	Estimate	Outturn	Variance
	No	2015/2016	2015/2016	2015/2016
HOUSING REVENUE ACCOUNT		£	£	£
SUMMARY				
GENERAL MANAGEMENT		1,263,551	711,161	552,390
CAPITAL FINANCING		8,437,436	6,553,901	1,883,535
CENTRAL RECHARGES		2,108,514	2,050,451	58,063
STRATEGY AND PERFORMANCE		1,539,011	1,138,279	400,732
PUBLIC SECTOR HOUSING		5,076,154	4,158,311	917,843
SUPPORTED HOUSING		0	0	0
BUILDING MAINTENANCE SERVICES		27,687,271	24,711,610	2,975,661
GROSS EXPENDITURE		46,111,937	39,323,713	6,788,224
INCOME		(46,111,937)	(46,085,881)	-26,056
(SURPLUS)/DEFICIT CONTRIBUTION (TO)/FROM WORKING BALANCES		0	(6,762,168)	6,762,168
HOUSING REVENUE ACCOUNT		£	£	£
GENERAL MANAGEMENT		1,263,551	711,161	552,390
CAPITAL FINANCING COSTS				
Interest Charge		2,374,610	851,856	1,522,754
Principal		5,579,423	5,709,086	-129,663
Debt Management		541,084	50,640	490,444
Resheduling Discount		(57,681)	(57,681)	0
EXPENDITURE TO HRA SUMMARY		8,437,436	6,553,901	1,883,535
CENTRAL RECHARGES				
Central Recharges		1,673,177	1,608,592	64,585
Grounds Maintenance recharge to HRA		435,337	441,859	-6,522
EXPENDITURE TO HRA SUMMARY		2,108,514	2,050,451	58,063
HOUSING REVENUE ACCOUNT		£	£	£
STRATEGY & PERFORMANCE		80,007	16,954	63,053
PERFORMANCE DEVELOPMENT		610,487	453,059	157,428
COMMUNICATIONS & ENGAGEMENT		96,540	73,624	22,916
TRANSFORMING LIVES & COMMUNITIES		751,977	594,642	157,335
EXPENDITURE TO HRA SUMMARY		1,539,011	1,138,279	400,732
HOUSING REVENUE ACCOUNT		£	£	£

HOUSING	Page	Estimate	Outturn	Variance
	No	2015/2016	2015/2016	2015/2016
<u>PUBLIC SECTOR HOUSING</u>				
Landlord General		124,879	108,252	16,627
Sheltered Accommodation		1,626,746	1,220,233	406,513
Holly Road Community support		0	238	-238
Lower Rhymney AHO		21,895	18,342	3,553
Eastern Valley AHO		579,647	516,998	62,649
Upper Rhymney AHO		745,189	711,361	33,828
Gilfach NHO		0	0	0
Lansbury Park NHO		322,334	271,024	51,310
Graig Y Rhacca NHO		262,579	239,621	22,958
Allocations		103,873	124,707	-20,834
TENANTS & COMMUNITIES INVOLVEMENT		387,440	282,971	104,469
LEASEHOLDERS MANAGEMENT		46,392	37,787	8,605
Tenancy Enforcement		267,345	245,331	22,014
Rents		631,554	417,050	214,504
Community Wardens		(43,719)	(35,604)	-8,115
<u>EXPENDITURE TO HRA SUMMARY</u>		5,076,154	4,158,311	917,843
<u>HOUSING REVENUE ACCOUNT</u>				
		£	£	£
<u>SUPPORTED HOUSING</u>				
Dispersed Alarms		0	0	0
Telecare Centre		0	0	0
Ty Croeso Hostel		0	0	0
<u>EXPENDITURE TO HRA SUMMARY</u>		0	0	0
<u>HOUSING REVENUE ACCOUNT</u>				
		£	£	£
<u>RESPONSE REPAIRS & MAINTENANCE</u>				
Employee Expenses net of recharges		1,273,368	1,243,086	30,282
Repairs & Maintenance on Housing Stock				
Responsive Repairs		7,937,726	7,716,751	220,975
Revenue Contribution to Capital - WHQS Programme		13,652,304	13,419,606	232,698
Group/Planned Repairs (priorities 5 & 8)		0	0	0
Void Repairs (priority 6)		0	0	0
Revenue Projects		2,434,000	864,433	1,569,567
Planned Cyclical		2,165,000	1,320,559	844,441
Planned Programme		0	(8,042)	8,042
		26,189,030	23,313,307	2,875,723
Transport Related		25,270	26,384	-1,114
Supplies & Services		199,603	128,833	70,770

HOUSING	Page	Estimate	Outturn	Variance
	No	2015/2016	2015/2016	2015/2016
EXPENDITURE TO HRA SUMMARY				
		27,687,271	24,711,610	2,975,661
HOUSING REVENUE ACCOUNT				
		£	£	£
INCOME				
Rents - Dwelling				
Gross Rent - Dwellings		(39,395,374)	(40,388,920)	993,546
Gross rent - Sheltered		(4,377,264)	(3,388,073)	-989,191
Gross Rent - Hostel		0	0	0
Voids - General Needs Dwelling/Sheltered		500,000	538,614	-38,614
Voids - Hostel		0	0	0
Net Rent		(43,272,638)	(43,238,379)	-34,259
Rents - Other				
Garages		(474,365)	(343,879)	-130,486
Garage Voids		200,304	114,938	85,366
Shop Rental		(53,562)	(67,149)	13,587
		(327,623)	(296,090)	-31,533
Service Charges				
Sheltered - Service Charges		(1,423,909)	(1,247,652)	-176,257
Sheltered - Heating & Lighting		(262,418)	(208,302)	-54,116
Sheltered & Dispersed- Alarms		0	0	0
Catering Recharge - Sheltered Accommodation		(53,657)	(43,174)	-10,483
Voids Schedule Water		46,456	51,700	-5,244
Non Scheduled Water Rates		(51,031)	(47,666)	-3,365
Welsh Water Commission		(717,117)	(786,772)	69,655
Leaseholder - Service Charges		(10,000)	(56,336)	46,336
		(2,471,676)	(2,338,202)	-133,474
Government Subsidies				
Housing Subsidy		0	(6,517)	6,517
		0	(6,517)	6,517
Interest Receivable				
Mortgage Interest		(3,000)	(171,367)	168,367
Investment Income		(7,000)	(654)	-6,346
		(10,000)	(172,021)	162,021
Miscellaneous				
Miscellaneous		0	0	0
Private Alarms		0	0	0
Ground Rent		(30,000)	(34,672)	4,672
		(30,000)	(34,672)	4,672
INCOME TO HRA SUMMARY				
		(46,111,937)	(46,085,881)	-26,056

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CAERPHILLY HOMES TASK GROUP – 7TH SEPTEMBER 2016

SUBJECT: SHELTERED HOUSING SCHEMES

REPORT BY: CORPORATE DIRECTOR COMMUNITIES

1. PURPOSE OF REPORT

- 1.1 To provide an update in relation to the Welsh Housing Quality Standard (WHQS) investment programme to the sheltered housing schemes.

2. SUMMARY

- 2.1 A report was presented to CHTG on the 19th May, 2016 which advised members that the WHQS work to sheltered housing schemes will be managed internally.
- 2.2 The in-house workforce will undertake the WHQS improvement works, both internally and externally to the majority of the sheltered housing schemes, supported as necessary by sub-contractors.
- 2.3 The feasibility/design studies for the six sheltered schemes identified for possible remodelling proposals is being taken forward by the Council's Building Consultancy team.
- 2.4 This report provides a further update on progress and sets out the scheduled programme for the delivery of schemes being undertaken by the in-house workforce. Further reports will be submitted in the future in relation to the schemes identified for remodelling proposals.

3. LINKS TO STRATEGY

- 3.1 The Welsh Housing Quality Standard (WHQS) is intended to ensure that all local authority and housing association homes are improved and maintained to achieve specified standards.
- 3.2 The Council is committed to ensuring that the WHQS investment transforms not only homes but also lives and communities.
- 3.3 The Single Integrated Plan 2013-2017 has a priority 'to improve standards of housing and communities, giving appropriate access to services across the County Borough'.
- 3.4 The Council's Local Housing Strategy 'People, Property and Places' has the following aims:- 'To provide good quality, well managed homes in communities where people want to live and offer people housing choices which meet their needs and aspirations'.
- 3.5 The delivery of the WHQS environmental programme is coterminous with the aims of the Wellbeing of Future Generations (Wales) Act 2015 which requires public bodies to work towards a shared vision comprising 7 goals and adopt the 5 "Ways of Working". The goals and the 5 Ways of Working will underpin the delivery of the programme and include planning and acting for the long term, integration, involvement, collaboration and prevention. The WHQS investment in Council homes to transform lives and communities is a Well Being Objective.

4. THE REPORT

- 4.1 The report presented to CHTG on the 19th May, 2016 advised members that the WHQS work to the sheltered housing schemes would be managed internally and that the work itself for the majority of schemes, would be undertaken by our in-house workforce.
- 4.2 The Council has 34 sheltered housing schemes which include one extra care scheme. Members have previously been advised that six schemes have been identified for possible remodelling, and these will be addressed in the future via a separate report.
- 4.3 The remaining 28 schemes are made up of the following:-
- Flats and communal areas under one roof
 - Bungalows or flats grouped around a communal block
 - Blocks of flats and communal facilities under one roof, plus external blocks of flats
- 4.4 The in-house workforce will undertake both internal and external works to the schemes as one contract, supported as necessary by sub-contractors.
- 4.5 In order to progress the works in line with the 2020 deadline, a completely separate programme of work has been scheduled (attached as Appendix 1) which will be managed and delivered independently to the main programme.
- 4.6 The programme will need to be supported by sufficient resources to meet the projected timelines. A high level review of the works utilising the Savills stock condition survey has enabled us to identify the type and number of staff and operatives required and adverts will be placed on a phased basis to recruit the required resources. A more accurate work profile will be established following more detailed surveys, which will result in a further review of the programme and resources.
- 4.7 There will also need to be a review of our procurement requirements to ensure the in-house workforce are adequately supported in the delivery of this programme with specialist contractors e.g. commercial heating, fire alarms, passenger lifts, electrical, I.T services, roofing. Discussions are taking place with colleagues in Procurement Services to progress this.
- 4.8 Based on information currently available, it is anticipated that one of the schemes included in the programme for 2017/18 will need to be fully or partially decanted due to the type and scale of works required. This will be arranged and funded by Caerphilly Homes in consultation with the tenants concerned.

5. EQUALITIES IMPLICATIONS

- 5.1 This is an information report; therefore there are no potential equality implications and no requirements to complete a full Equalities Impact Assessment.

6. FINANCIAL IMPLICATIONS

- 6.1 Based on the Savills stock condition survey, there is a budget provision of £10.1m (£3.1m external works, £7m internal works) in the business plan. However the full extent of the work can only be determined by surveys of the individual schemes.
- 6.2 There is already evidence to suggest that the WHQS budget may be under pressure and, therefore, it would be prudent not to commit further major unbudgeted expenditure in the period up to 2020. If the outcome of the surveys indicates significant increased expenditure is required, a further report will be submitted to provide members with the relevant details and the potential impact on the programme.

7. PERSONNEL IMPLICATIONS

- 7.1 Action is being taken to increase resources within the WHQS team to deliver the programme set out in Appendix 1. It is anticipated that the additional resources will be utilised to establish a separate team to focus on the delivery of the WHQS works to our sheltered housing schemes, independently of the main programme.

8. CONSULTATIONS

- 8.1 Comments received have been incorporated into this report.
- 8.2 Meetings will take place with tenants at each of our sheltered schemes following approval of the programme to make them aware of the proposed timescales and to provide a broad outline of the extent of work that is planned to be undertaken at their schemes.
- 8.3 In line with existing procedures surveys for the 2017/18 programme will commence in October, 2016 which will determine the full extent of works required to each of the tenants' homes. As part of this process tenants will be consulted to ensure work is specified to meet their specific needs.

9. RECOMMENDATIONS

- 9.1 The report is for information.

10. REASONS FOR THE RECOMMENDATIONS

- 10.1 To advise the CHTG on the programme to deliver the WHQS works to the Council's sheltered housing schemes.

11. STATUTORY POWER

- 11.1 Housing Acts 1985, 1996, 2004, 2014 and Local Government Act 2000.

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Christina Harry - Corporate Director Communities
Marcus Lloyd - Deputy Head of Programmes
Jane Roberts-Waite - Strategic Coordination Manager
Fiona Wilkins - Public Sector Housing Manager
Angela Hiscox - Housing Manager
Lesley Allen - Principal Accountant

Appendices:
Appendix 1 – Proposed Sheltered Housing Programme

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PROPOSED SHELTERED HOUSING PROGRAMME

2017/2018

Ty Bedwellty (26 units)	- Under one roof
Palmer Place/Gibbs Close, Bryn Road (39 units)	- Bungalows & communal
Horeb Court (21 units)	- Bungalows & flats with communal
St Peters Close (30 units)	- Bungalows & communal
Y Glyn (37 units)	- Bungalows & flats with communal
Ysgwyddgwyn (25 units)	- Bungalows & flats with communal
Waun Rhydd (32 units)	- Bungalows & flats with communal
Glyn Syfi (33 units)	- Bungalows & communal
St Clares (33 units)	- Bungalows & communal
Glynderw (33 units)	- Bungalows & communal
The Willows (30 units)	- Bungalows & communal

2018/2019

Gwyddon Court (40 units)	- Under one roof & outside flats
Ty Mynyddislwyn (31 units)	- Under one roof
Woodland View (22 units)	- Flats & communal
Maesteg (28 units)	- Flats & bungalows with communal
Oaklands (32 units)	- Bungalows & communal
St Gwladys (22 units)	- Under one roof & outside flats
Pleasant Place (32 units)	- Bungalows & communal
Grove 1 (32 units)	- Bungalows & communal
Grove 2 (32 units)	- Bungalows & communal

2019/2020

Highfield Court (23 units)	- Under one roof
Alexander Court (20 units)	- Under one roof
Ty Isaf (13 units)	- Under one roof
Tredegar Court (39 units)	- Under one roof & Tredegar St Flats
Hafod Y Bryn (30 units)	- Flats & communal
Prospect Place (31 units)	- Bungalows & communal
Heol Islwyn (33 units)	- Bungalows & communal
Greenacres (32 units)	- Bungalows & communal

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