



POLICY AND RESOURCES SCRUTINY COMMITTEE - 11TH NOVEMBER 2014

SUBJECT: PERFORMANCE MANAGEMENT IO5 – INVESTMENT IN COUNCIL HOMES TO TRANSFORM LIVES AND COMMUNITIES – 6-MONTH UPDATE

REPORT BY: INTERIM CHIEF EXECUTIVE

1. PURPOSE OF REPORT

- 1.1 To provide a 6-month update of progress against Improvement Objective 5 - Investment in Council homes to transform lives and communities.

2. SUMMARY

- 2.1 Momentum has been maintained by the in house team but the overall programme scheduled for 2014/15 is now facing major slippage. A review of the investment strategy is underway to address how the slippage can be absorbed over the remaining 5 years of the programme to ensure the target date of March 2020 can still be achieved.

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 Single Integrated Plan 2013 – 2017 has a priority to “Improve standards of housing and communities, giving appropriate access to services across the County Borough.”
- 3.3 The Council’s Local Housing Strategy “People, Property, and Places” has the following aim:
“To provide good quality, well managed houses in communities where people want to live, and offer people housing choices which meet their needs and aspirations.”

4. THE REPORT

- 4.1 The Local Government Measure 2009 requires all Council authorities in Wales to set and publish a set of priorities called Improvement Objectives.
- 4.2 The Wales Audit Office (WAO) use Improvement Objectives and other data / information to evaluate the Council’s likelihood of improvement and the level of actual improvement that is achieved for the citizens of Caerphilly.
- 4.3 In 2012 the Council’s tenants voted to remain with the Council as their landlord. This was based on a commitment that all Council homes would be brought up to WHQS by 2019/20.

- 4.4 In September 2012 an investment plan was approved by the Caerphilly Homes Task Group / Cabinet Sub Committee which demonstrated how the WHQS Programme would be implemented on a community based approach over the period to 2019/20. The work will be split between the in house work force and contractors and there will be separate sequences for internal and external works.
- 4.5 The dashboard at Appendix 1 provides an overview of key actions during the first six months of the financial year 2014-15. Unfortunately the programme is facing major slippage arising from delays in the commencement of the internal works contracts, the decision to re-tender the external works contracts in the Upper Rhymney Valley, the curtailment of the small lots programme in the Eastern Valleys to a more manageable number of contracts; and surveying issues that have slowed the external works in the Lower Rhymney Valley. The impact of these factors is that only 7.5% of the planned programme has been delivered in the first six months.
- 4.6 A revised programme has now been set for the remainder of the 2014/15 financial year to complete work to 1683 properties in terms of contract packages. This compares with the original target in the report presented to the Caerphilly Homes Task Group in October 2013 of 3713. Realistically however the out turn position is more likely to be between 1200 and 1300 properties completed.
- 4.7 A review of the investment strategy over the remaining 5 years of the programme is underway. An acceleration of the programme is now required to incorporate the slippage from the current year. In view of the sheer volume of work there will be resource implications if the target date for WHQS of March 2020 is to be achieved. It is anticipated that a report will be presented to the Caerphilly Homes Task Group in December and Policy and Resources Scrutiny Committee in January 2015.

5. EQUALITIES IMPLICATIONS

- 5.1 An Equalities Impact Assessment is not required as the report is for information.

6. FINANCIAL IMPLICATIONS

- 6.1 The Capital programme for 2014-15 is £29.3m. Due to the programme slippage it is projected that there will be an under spend of £11.35m. This takes account of unbudgeted expenditure on emergency heating installations. Balances will be carried forward to fund the WHQS Programme.

7. PERSONNEL IMPLICATIONS

- 7.1 The slippage will increase the pressure on the WHQS Team. It is likely that around 4500 properties will need to be completed in 2015/16 as part of the process of catch up. The current area based project team approach has given rise to inconsistencies in service standards. The project teams are being reconfigured around the contract arrangements to ensure a consistent approach across the County Borough and to make the accountabilities of managers clearer. The senior management has been strengthened to help drive performance. Staff resources in critical areas are under review to ensure there is the capacity to cope with the volume of work that has to be delivered within a finite timescale.

8. CONSULTATIONS

- 8.1 The results of all consultations have been incorporated into this report.

9. RECOMMENDATIONS

- 9.1 Recognising that Members will be rightly concerned about the position outlined in the report to note that officers are taking various actions to address the situation and that a further report will be presented in the near future.

10. REASONS FOR THE RECOMMENDATIONS

- 9.1 To report progress in respect of Improvement Objective IO5.

11. STATUTORY POWER

- 11.1 Local Government Measure 2009

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Appendices:

Appendix 1 Improvement Objective 5 Dashboard – 6-Month Update