



## CAERPHILLY HOMES TASK GROUP – 6TH JULY 2017

**SUBJECT: YEAR END PERFORMANCE REPORT FOR CAERPHILLY HOMES**

**REPORT BY: CORPORATE DIRECTOR COMMUNITIES**

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### 1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to provide members with an update on the performance of Caerphilly Homes during 2016/17, to set out the key service objectives for 2017/18 and highlight any potential challenges that may affect delivery of these objectives.

### 2. SUMMARY

- 2.1 This report provides members with an overview of the performance of Caerphilly Homes by section during 2016/17.
- 2.2 The report also sets out a range of objectives to be undertaken in 2017/18 that will deliver further service improvements and identifies a number of potential challenges that may affect delivery of these objectives.
- 2.3 The performance of Caerphilly Homes for 2016/17 is considered to be good overall, although, it is accepted that there are some aspects of the service which require improvement. In addition, a number of challenges have been identified that have resulted in action plans being developed, which have been incorporated into the 2017/18 service plan. The main challenge moving forward relates to our continued ability to provide a high quality service that meets the needs and aspirations of our service users, whilst continuing to satisfy medium term financial plan priorities and changing legislation. The service is regarded to be well placed to respond to this challenge.

### 3. LINKS TO STRATEGY

- 3.1 ***The Well Being of Future Generations (Wales) Act 2015*** contains 7 well-being goals. When making decisions the act requires public bodies in Wales, including local authorities, to take into account the impact they could have on people living their lives in the future.
- 3.2 ***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.
- 3.3 ***Caerphilly Delivers (Single Integrated Plan, 2013-2017): P2: "Improve standards of housing and communities, giving appropriate access to services across the county borough."***
- 3.4 ***Anti-Poverty Strategy (CCBC)*** which sets out a range of priorities to tackle poverty in the borough.

## 4. THE REPORT

4.1 Caerphilly Homes consists of four main sections:

1. Housing Repair Operations;
2. Private Sector Housing;
3. Public Sector Housing; and
4. Welsh Housing Quality Standard.

4.2 The Caerphilly Homes is responsible for providing good quality, well managed, affordable homes both in the public and private sector. The aim is to provide balanced communities of mixed tenure and homes that meet the specific needs of the household, as well as being well maintained and improved via various initiatives to achieve good standards of living.

4.3 As part of the corporate service improvement process, each year Caerphilly Homes undertakes a self-evaluation exercise. This exercise allows us to evaluate the performance of the service against seven pre-defined areas, and assists in identifying aspects of the service that require improvement together with any challenges facing the delivery of the service. The self-evaluation exercise informs the development of the service plan.

4.4 The performance of each section will be considered separately in turn in the following paragraphs:

### **Housing Repair Operations**

4.5 The section provides a responsive repairs and maintenance service to the council's housing stock of 10,828 properties, completing approximately 30,000 repairs per annum, in addition to supporting the Welsh Housing Quality Standard (WHQS) section with both the internal and external capital investment programme. It consists of 175 members of staff (FTE), including multi-trade maintenance operatives, with an annual turnover of £8m. There is a further budget of some £5.5m, relating to planned and cyclical projects, utilising external contractors that support the in-house workforce with the service and repair of all heating & hot water systems, stair lift and hoist lifting equipment in addition to the statutory maintenance of 34 sheltered housing schemes.

4.6 Overall, the section continues to strive towards improving the way it delivers its services. Significant cost savings have been generated through improved productivity brought about by the extension of mobile working, the multi skilling of operatives, reducing the necessity to travel, and a reduction in administration and overhead costs. Repair performance and customer satisfaction levels have also remained high in comparison with the previous year (2015/16). See table under item 4.8.

### **Performance in 2016/17**

4.7 Examples of achievements in 2016/17 include:

- In December 2016 the section was awarded the status of the Best Performing Authority in the UK for Building Maintenance by the Association of Public Services Excellence (APSE) Performance Networks.
- In the same Performance Network award ceremony, the section was also finalists in the Most Improved Performer in Building Maintenance, which is based on the number of improvements that had been made to various performance measures throughout the year including repair appointments, repair response targets, cost of providing the repairs service and customer satisfaction.
- In addition to providing the repairs and maintenance services, the section also supported the WHQS programme by completing over 138 kitchens replacements, 143 bathroom replacements, 84 electrical rewires, 139 central heating upgrades, 469 IG door replacements, 59 fibreglass flat roofs.

- Took responsibility for the management and monitoring of statutory maintenance services and established new contractual arrangements for their delivery.

Areas for improvement:

4.8 Areas that require improvement were identified as:

- The winter months can often create high levels of external repairs with the increased level of roof and chimney stack leaks along with the removal of cavity wall insulation to address problems of dampness. In order to increase resources, given that the number of extreme wet weather events is increasing, we have established a sub-contractor framework whereby external contractors can provide assistance to meet changes in demand.
- Improve performance and contract arrangements for statutory maintenance.
- Reduce the number of material collections from our supplier by reviewing van stocks to improve efficiency
- Introduced a text facility to provide tenants with confirmation of their repair being recorded and to provide a reminder for their agreed appointment.

Key Performance Indicators	Previous Year 2016/17		Progress / Comments
	Target	Actual	
The average end of tenancy voids costs.	£4,500	£7,430	<p>2015/16 - £3,944.60 (However this cost was miss calculated as void clearances were included as a separate cost, where these should have been included to the actual void property).</p> <p>HRO completed 729 voids during 2016/17 and are now undertaking high numbers of WHQS elements on void properties which has significantly increased the costs. If one element is identified on the pre-inspection then all 4 are completed, i.e. kitchen, bathroom, electrical rewires central heating, plus the topping up loft insulation hence this has significantly increased the costs where the target will need to be adjusted to reflect this. These voids are then classified as being internally compliant with WHQS standards.</p>
Number of WHQS works completed by HRO by category of works.	N/a	144 Internally compliant	<p>This number is broken down as follows: (2015/16 totals)</p> <ul style="list-style-type: none"> <li>• 143 bathrooms; (93)</li> <li>• 138 kitchens; (98)</li> <li>• 84 rewires; (44)</li> <li>• 139 Central Heating Upgrades (new measure)</li> <li>• 469 IG Doors; (284)</li> <li>• 59 Fibreglass roofs; (28)</li> </ul> <p>Increased WHQS works completed in 2016/17.</p>
Number of backlog repairs	N/a	1,336	Repairs are prioritised and allocated a

pending at year end.			completion target, depending on the nature of the repair, ranging from 1-66 days. This means there will always be a continual work in progress backlog of pending repairs within appointment diaries, which increases and decreases throughout the year. (None outside target).
Number of confirmed complaints received.	N/a	21	This number represents complaints received on the numbers of repairs completed (27,605). These related to quality of service, standard of work and timeliness of undertaking the work.
Number of repairs carried out to tenant's homes.	N/a	27,605	This is a slight reduction from 2015/16 figures where 28,698 repairs carried out to tenants homes. This is due to improved weather conditions on the previous year and the possible impact of WHQS works.
% of repairs undertaken as appointments within specific categories(Qtly accum - Year to date)	97%	99.95	2015/16 - 95.32 Appointments offered to tenants have increased by 4.63%.
Average number of working days taken to complete a planned repair (08)	66	51	Defined as priority 8 = 66 days completion target. Increase level of planned works including WHQS has increased since 2015/16 where performance confirmed as 39.99 day. Target to be reduced for 2017/18.
Average number of working days taken to complete a routine repair	25	10	Defined as priority 3, 4 & 5 = 2, 25 & 50 days completion target. 2015/16 - 9.99. Target to be reduced for 2017/18.
Average number of working days taken to complete an emergency repair (02)	1	0.11	2015/16 – 0.98. Improvement made on previous year. Defined as priority 2 = 1 day completion target.
Percentage of emergency jobs completed on time (within 24 hours) (02)	100%	100%	
Percentage of non emergency jobs not subject to call back/complaint (right first time) (03-05-08)	98%	98.43%	2015/16 - 98.50%.
Percentage of planned repairs completed on time (08)	90%	84.96%	2015/16 - 92.50%. Completion time reduced as a result of the volume of renewals carried out rather than repairs to contribute towards WHQS compliance.
Percentage of routine repairs completed on time (03/05)	95%	97.10%	2015/16 – 96.26%. Improvement made on previous year.
Tenant Survey: % of customers satisfied with the Repairs Services they receive	100%	99.67%	2015/16 – 100%. Satisfaction levels, although, not 100% still high based on 20% of customers surveyed.
Percentage of Materials Recycled	80%	86.5%	2015/16 – 85.67%. Small improvement on previous year.
Total Fuel Used by the HRO fleet (Yrly)	£215,000	£163,079.95	177,882 litres. 2015/16 - £164,765.46 – 164,412 litres.
Number of vehicles per operational employee (Yrly)	0.63	0.60	Number of vehicles = 76. Number of employees = 126. Previous year 2015/16 – 0.62.
Percentage of voids completed on time	96.50%	95.16%	Previous year 2015/16 – 94.34%. Although additional elements of work are carried out internally to bring an increased number of voids up to the WHQS, there has been a marginal improvement on the

			previous year's performance due to an overall reduction in void numbers i.e. 729 for 2016/17 compared to 851 for 2015/16.
Refurbishment voids turnaround (average number of calendar days keys held by in-house workforce)	60	62.88	Target marginally over due to the additional volume of WHQS work completed. Previous year figure 2015/16 - 57.61.
Routine voids turnaround (average number of calendar days keys held by in-house workforce)	11.50	11.73	Target marginally over due to the additional volume of work completed. Previous year figure 2015/16 - 11.40.

### Key objectives for 2017/18

4.9 The key objectives for the section contained in the 2017/18 service plan:

- Replace mobile working devices used by HRO surveyors with improved devices. The new devices have improved coverage and will facilitate improved management of appointments, taking photographs, using forms and folios, raising jobs and drawing up specifications.
- Improve performance of statutory maintenance, particularly in relation to gas servicing.
- Undertake a review of the no access procedure to support improvements to statutory maintenance services.

4.10 Other priorities for 2017/18 include:

- Continue to support the WHQS section in all elements of work to ensure the programme is completed on time.
- Finalise review of the "no access" procedure and implement changes.

### Main risks

4.11 The key risks identified for 2017/18 are:

- Increase in void properties could lead to prolonged void periods, increased costs in addition to rent loss.
- Failure to comply with our statutory requirements could have severe implications for our tenants and put the authority at risk.

### Private Sector Housing

4.12 The section is responsible for the provision of major and minor works of adaptation for disabled persons living in the public and private sectors, improving the condition of homes in the private sector through individual grants, area renewal schemes, home improvement loans and regulation and also the return to use of long term empty homes in the private sector. The section maintains the Common Housing Register and is responsible for the delivery of homelessness services. It is also assisting in the delivery of the WHQS programme, by project managing external works to leasehold blocks of flats throughout the borough.

4.13 The section consists of 65 members of staff (FTE) with a budget of £6.2m (£3.3m capital (for grants), £1.1m capital (for loans) and £1.8m (net) revenue.

4.14 Analysis of performance and customer satisfaction information tells us that, despite ongoing budget pressures, overall, the section continues to provide a wide range of good quality services.

### Performance in 2016/17

4.15 Examples of achievements in 2016/17 include:

- Worked in partnership with Cartrefi Hafod to increase access into the private rented sector for those people who are either homeless or threatened with homelessness.
- Utilised an under-occupied residential block of flats in Rhymney to provide a supported housing options scheme for predominantly single people aged 16 plus.
- Worked in partnership with the local churches and a contracted support provider, over the winter months, to provide shelter and support in the borough to 19 rough sleepers.
- Undertaken the necessary preparatory work to successfully introduce the common housing register.
- Undertaken a range of activities to increase awareness of the (Rent Smart Wales (RSW) service) Housing Act 2014 requirements in relation to the mandatory registration and licensing of private rented sector landlords and agents, which included newspaper adverts, posters/flyers, merchandise, etc.
- Signed the Memorandum of Understanding between the Single Licensing Authority and all councils in Wales in relation to service standards and roles associated with the Rent Smart Wales initiative.
- Increased the number of long term empty private sector homes brought back in to beneficial use by direct action and produced an electronic database.
- Completion of Area Renewal Scheme at Senghenydd.
- High level of customer satisfaction for the delivery of adaptations.
- Support the delivery of WHQS works to leasehold properties.

Areas for improvement:

4.16 Areas that required improvement for 2016/17 were identified as:

- Increasing the number of long-term empty properties in the private sector returned to beneficial use by direct action of the council, including improved communication, marketing, loans, etc. (estimated to be over 900 properties), given that we are currently below the national average in respect of empty property activity.
- Improving performance in relation to the provision of adaptations following the proposal for new performance measures being suggested by Welsh Government which will ensure standardised, consistent reporting by all Authorities.
- Reduce reliance on the use of B&B establishments for the temporary accommodation for homeless persons.

Key Performance Indicators	Previous Year 2016/17		Progress / Comments
	Target	Actual	
The average number of calendar days taken to deliver a Disabled Facilities Grant (Annual). N.B in this PI "average" reflects the inclusion of all schemes of adaptation in excess of £1000 irrespective of the size of the schemes which will range from as little as £1500 for something like a stair lift installation to as much as £50,000 in respect of the more complex schemes involving lifting, hoisting and where bedroom/bathroom extensions are necessary.	280	282	Officer workload pressures due to new contract framework arrangements being required, as well as extra grant funding to be expended and the additional duties taken on by the Team Leader following the deletion of the Principal Housing Officer (Agency) post contributed to being just outside our target. Following staff changes, procedures are now also being reviewed which will take into account the performance measure changes being introduced by W.G.
The average number of days taken to deliver a LA tenant adaptation other than a DFG N.B in this PI "average" reflects the inclusion of all	175	221	Officer workload pressures due to new contract framework arrangements being required, as well as extra grant funding to be expended and the additional duties taken on by the Team Leader following the

schemes of adaptation in excess of £1000 irrespective of the size of the schemes which will range from as little as £1500 for something like a stair lift installation to as much as £14,000 in respect of the more complex schemes.			deletion of the Principal Housing Officer (Agency) post have contributed to this level of performance. Redeployment of Technical Support from the Renewal Team was not practicable however, any urgent adaptations are expedited. Processes will be reviewed to ensure this is addressed for the future.
The average number of calendar days taken to deliver low cost adaptation works in private dwellings where the Disabled Facilities Grant process is not used	36	34	Low cost adaptations are those costing less than £1000 e.g. small ramps, handrails, grab-rails, key-safes etc. During 2016/17, across both public and private sectors, we undertook approximately 1500 schemes of this nature.
The average number of calendar days taken to deliver a disabled facilities grant of less than £5k	250	248	During 2016/17 we delivered 103 schemes of this nature.
Enquiry to approval times - Disabled Facilities Grants (days)	145	163	This figure relates to the average amount of time that housing staff take to approve and award work for a Disabled Facilities grant following receipt of the recommendation from Social Services. Officer workload pressures due to long term sickness absence and the additional duties taken on by the Team Leader following the deletion of the Principal Housing Officer (Agency) post have resulted in failure to meet our target. Redeployment of Technical Support from the Renewal Team was not practicable but processes will be reviewed to ensure this is addressed for the future.
Enquiry to approval times Public Sector Adaptations (days)	63	131	This figure relates to the average amount of time that housing staff take to approve and award work for an adaptation following receipt of the recommendation from Social Services. Officer workload pressures due to new contract framework arrangements being required, as well as extra grant funding to be expended and the additional duties taken on by the Team Leader following the deletion of the Principal Housing Officer (Agency) post have contributed to this level of performance. Redeployment of Technical Support from the Renewal Team was not practicable, however processes are being reviewed to ensure this is addressed for the future.
Enquiry to approval times Minor Works Grants (days)	255	298	The key officer relating to the processing of this type of grant has been on long-term sickness absence and has recently ended their employment with the Authority. Redeployment of Technical Support from the Renewal Team was, unfortunately, not practicable, however, the post is currently being advertised to find a suitable replacement.
Percentage of grant recipients who stated they	96%	99%	This figure reflects the provision and activities of an effective in house Agency

were satisfied with the conduct of the builders.			Service who oversee adaptations schemes on the clients' behalf.
Percentage of grant recipients who stated they were satisfied with the length of time it took to complete the grant work.	92%	97%	This figure reflects the provision and activities of an effective in house Agency Service who oversee adaptations schemes on the clients' behalf. This level of satisfaction also reinforces the national opinion that the statutory performance indicator for waiting times for DFG's is extremely misleading and is no longer fit for purpose.
Percentage of grant recipients who stated they were satisfied with the quality of the grant work.	96%	99%	This figure reflects the provision and activities of an effective in house Agency Service who oversee adaptations schemes on the clients' behalf.
% of social housing applicants whose formal application to the Common Housing Register is suspended.	10%	8.42%	These figures relate to those housing applicants whose applications on the Common Housing Register are suspended generally as a result of them being incomplete and where we are awaiting further information before being able to make their application "live."
% of New Tenants who found completing Housing Application Form easy - Tenant Survey.	85%	88.95%	
The number of new affordable housing units provided during the year as a percentage of all new housing units provided during the year	45%	47.36%	2015/16 data shown. 162 out 342 properties were affordable.  2016/17 data is not prepared until July 2017.
Percentage of the houses in multiple occupation known to the local authority that are subject to enforcement activity	N/a	0%	All non compliance matters identified during programmed inspections were effectively dealt with via informal means resulting in no enforcement action being necessary.
Percentage private sector dwellings returned to occupation that had been unoccupied for more than 6 months due to direct action from CCBC (Qtly accum)	4.30%	6.40%	Improved communication including a mail shot was undertaken to all relevant empty home owners, which improved performance for 2016/17. This PI is no longer National Strategic PI and so comparison nationally is no longer available.
Houses in Multiple Occupation (Properties occupied by more than one household)- Number of assessments carried out under the Housing Act 2004, by property type	N/A	70	These properties are inspected against a risk based programme. This figure is compliant with the CCBC Houses in Multiple Occupation Risk Assessment Inspection Programme.
Owner occupier - Number of dwellings improved via private housing loans, by tenure	N/a	16	This figure will increase over time as home improvement loans continue to become an alternative option to grant for many homeowners.
Single Occupancy - Number of Housing Health and Safety Rating assessments carried out under the Housing Act 2004, by property type	N/A	468	This figure is reflective of the high number of service requests undertaken as part of their duties by the 3 District Environmental Health Officers based within Private Sector Housing.
The average number of days that all homeless households spent in bed and breakfast accommodation.	30	17.32	This indicates that we have become more effective at moving people into either more appropriate temporary accommodation or into secure accommodation because they



			are spending less time in B&B We are, however, constantly striving to reduce our reliance on the use of B&B accommodation for emergency accommodation. At the time of writing we have only one client in B&B, although there was a short period during early 2017 when we were forced to place 15 persons into B&B. The B&B position is therefore, extremely hard to predict.
The number of people provided with financial assistance by the homelessness team to access accommodation in the private rented sector (excluding temporary accommodation).	N/a	231	We utilised WG transitional homelessness funding to assist households to access accommodation prior to them getting into a homelessness crisis situation. This type of intervention prevents homelessness from occurring and reduces the actual number of people to whom the council may later owe a duty towards. Therefore, the higher this number is, the fewer households need to be accepted under the subsequent duties in the 3 PIs below.
Cases who have had homelessness prevented (linked to a national PI Table 1.3 – Eligible, threatened with homelessness, prevention assistance provided (Section 66)).	N/a	73.27% (447 out of 610)	The number of people we assisted in preventing their homelessness under Section 66, as a percentage of the total number of people entitled to receive our assistance. 78% of these are single persons.
Cases who have had their risk of homelessness relieved by providing alternative accommodation (linked to a national PI Table 1.4 – Eligible, homeless, subject to duty to help to secure (Section 73)).	N/a	46.2% (243 out of 525)	The number of people assisted into accommodation as a percentage of the total number owed this duty (section 73) 'RELIEF DUTY'.  This number is reflective of applicants withdrawing their applications, loss of contact with applicants, refusing assistance. 89% of these are single persons.
The number of people determined as homeless as a percentage of the number of people threatened with homelessness who approach the Council for assistance (linked to a national PI Table 1.5c – Eligible, unintentionally homeless and in priority need (Section 75)).	N/a	81% (67 out of 82)	The number of people we successfully assisted into secure accommodation as a percentage of the total number owed this duty.  These households are eligible, unintentionally homeless and in priority need (Section 75)). 90% of these are single persons.

### Key objectives for 2017/18

4.17 The key objectives for the Private Sector Housing section contained in the 2017/18 service plan are:

- To participate in the “Your Money Your Home” project coordinated by the Wales Cooperative Centre, in an attempt to prepare private rented sector tenants from the removal of housing benefit safeguarding arrangements.
- Establish a working group of key stakeholders to consider a range of solutions to mitigate the impact of welfare reform on the under 35s as affordability is going to be a key factor for single person accommodation in particular.

- Pursuing registration and / or licensing compliance by private sector landlords / letting agents in all identified instances of non compliance to ensure the statutory demands of the Housing (Wales) Act 2014 are met. We also need a quality and compliant PRS to enable us to utilise this sector for our wider housing needs.
- Further awareness raising initiative with regard to Rent Smart Wales requirements. The exact nature and extent of the initiative will, however, be dependant on the level of grant funding received from Welsh Government to support our activities.
- Continue to seek improvements in the provision of the adaptations service in line with the demands of the recently introduced ENABLE scheme.

4.18 Other priorities for 2017/18 include:

- Improved partnership working to maintain impetus with regards to the number of long-term empty properties in the private sector returned to beneficial use by action of the council.

#### Main risks

4.19 The key risks identified for 2017/18 are:

- Single people aged under 35 reliant on benefits for their housing costs will be at risk of homelessness. The Authority needs to work with all housing sector partners to find sustainable housing solutions. The Authority is at risk of a substantial increase in homeless presentations without any affordable housing solutions available to assist them, which is a legal requirement.
- Our ability to influence property conditions/standards and compliance rates for private sector landlords/letting agents would be compromised by an ineffective Rent Smart Wales awareness raising initiative.
- Our ability to successfully deliver the Enable initiative will be compromised without a further review of staff resources and current operational practices within the Adaptations Team.
- Demand for temporary accommodation needs to be continually monitored due to potential changes in demand for homeless persons/households.

#### Public Sector Housing

4.20 The section is responsible for the day-to-day delivery of the landlord services function to council tenants (10,828 council owned houses and 994 garages) in accordance with all statutory requirements and council policies. It consists of 108.5 members of staff (FTE) with a budget of £6m p.a. and income collection of £51m p.a.

4.21 In the absence of available published benchmarking data from other Welsh local authorities with retained stock our ability to compare our performance against housing management services in other areas is very limited. Although, our performance information compared against our targets shows that we are generally sustaining high standards of service delivery. There are some areas of weakness that we are aware of, such as low demand for certain property types and areas, and are actively working to address. It is becoming increasingly more challenging in the current environment with significant legislative changes to sustain and maintain standards.

#### Performance in 2016/17

4.22 Examples of achievements in 2016/17 include:

- Completed preparatory work regarding the replacement of the Capita Housing Management IT system.
- Completed a consultation exercise with affected tenants before deciding to pilot the introduction of service charges for certain new services in Holly Road flats.

- Carried out an assessment to confirm that Universal Credit will not affect our current ambitions to introduce service charges for all tenants that receive eligible services, due to the nature of service charges currently being considered for general needs tenants.
- Determined the actual cost of services provided for each sheltered housing scheme, allowing us to undertake consultation with tenants before a new recovery system is introduced based on actual costs incurred by a scheme.
- Undertaken research to establish how other local authorities recoup the cost from leaseholders of providing the leaseholder services management function.
- Agreed a programme to bring our sheltered housing schemes up to the WHQS and commenced feasibility studies on 6 schemes identified for potential remodelling.

Areas for improvement:

4.23 Areas that require improvement were identified as:

- Some of our sheltered housing accommodation suffers from low demand and is not suitable to meet the needs and expectations of current and future tenants. We need to consider options to improve the quality and accessibility of this accommodation to increase demand, or consider alternative uses.
- Rent loss from void properties remains high, as does the number of tenants requesting a transfer. We need to increase demand for our properties, particularly in some of our lower demand areas in the north of the borough and sheltered schemes.
- We do not equality monitor the delivery of our services to tenants and, therefore, we do not know who our customers are and are unable to fully tailor services to meet their individual needs. Improvements are needed to IT systems to enable equality monitoring to be mainstreamed across the service.
- There are some areas of the service where we do not know what our customers think because tenant or leaseholder satisfaction surveys have not been undertaken. Opportunities for completion of customer satisfaction surveys that can add value to services need to be identified.
- We do not fully recoup the cost of providing the leaseholder services management function which results in a reduction in income to use on maintaining existing or developing new services. The service charge needs to be increased to ensure it better reflects the cost of administering the Leaseholder service.

Key Performance Indicators	Previous Year 2016/17		Progress / Comments
	Target	Actual	
The average number of calendar days taken to let lettable units of accommodation during the financial year for permanent accommodation (Annual)	46	64.26	<p>This PI reflects the total void time for a property in debit, from end of one tenancy to commencement of a new tenancy.</p> <p>Over the course of the year a number of low demand properties were let, in part due to the development and implementation of a marketing strategy. This is a positive housing management outcome but it adversely affects the overall re-let time. The average re-let time for properties that are not classed as low demand is 58.58 days, against a target of 46 days, however, the average re-let time for low demand properties is 138.71 days. This has a negative impact on the overall average re-let time. 49 of 692 properties allocated were classed as 'low demand'. Demand for properties north of Aberbargoed is limited and some of our sheltered housing schemes that comprise bedsits are also low demand Six sheltered schemes comprising bedsits have been</p>

			identified for consideration for remodelling and are pending the outcome of ongoing feasibility studies. The HRO team are increasingly carrying out comprehensive WHQS works to void properties rather than repairs, which improve the outcome to new tenants but, of necessity, is leading to longer void durations. Of the 729 properties, 144 were improved to WHQS standard by HRO. In addition to WHQS and the associated environmental programme, a Hard to Let Working Group is implementing a marketing strategy, utilising decorating allowances and the use of property guardians is being considered. Consideration is also being given to the re-designation of some low demand stock with a view to increasing demand.
Percentage of Council Housing Stock that is Empty (Qtly - Yr to date)	1.80%	1.88%	Stock = 10,821. Number of voids on 31/03/2017 = 203. This is in line with 1.9% of vacant social housing stock across Wales (both LAs and RSLs) in 15/16 (latest available data).  This includes 35 low demand properties in sheltered schemes where remodelling options are being considered, and 11 properties in Rowan Place, Rhymney, where we are allocating in accordance with a sensitive lettings policy in an effort to create a new sustainable community.
The number of Council tenants who are affected by welfare reform and under-occupying that successfully downsized to alternative Council accommodation.	N/a	16	In total 1900 tenants are under occupying their properties and are affected by welfare reform. Applications for assistance via Discretionary Housing Payments are considered by Corporate Finance. Only approximately 15% want to consider down sizing. Most affected tenants have lived in these properties for many years and consider them their home and are very reluctant to move. These tenants continue to be assisted by our Tenant Support Officers.
Percentage of tenants satisfied with visit by a TSO.	97%	99%	Relates to council tenants only. 2183 tenants were visited and over the year 600 telephone surveys completed (28% surveyed).
The total amount of rent arrears owed by former tenants in permanent accommodation which were written off as unrecoverable during the financial year as a percentage of the total rent collectable for the financial year (Qtly accum - Year to date)	0.50%	0.51%	Value written off as unrecoverable - £267,833. Outturn slightly above target but lower than last year (0.54%). We actively pursue recovery of debts from former tenants when able to locate them, including the use of debt collection agencies. If recoverable and non statute barred debts are written off we retain a record of the debt and are able to write them back into debit if we subsequently locate the former tenant or they reapply for housing.
The total amount of rent lost	1.90%	1.93%	Rental void loss - £995,286.

due to lettable units of permanent accommodation being empty as a percentage of the total rent debit for the financial year (Qtly accum - Year to date)			The increase in the average number of calendar days to let units of accommodation has a consequential impact on the void loss. The sensitive lettings policy in Rowan Place, which is due to be reviewed in August 2017, consideration of remodelling proposals for some sheltered schemes and increase in WHQS works for void properties, are all appropriate management interventions but each contributes to rent losses. The introduction of the new Common Housing Register, Common Allocations Policy and associated procedures have also been recognised as having an impact on rent loss in Q4 as officers and tenants adapt to the new system. Losses will be closely monitored in 17/18 with the interventions above subject to review.
The total amount of rent arrears owed by current tenants as a percentage of the total rent collectable for the financial year - Permanent Accommodation (Qtly accum - Year to date)	3.00%	2.73%	Value of rent arrears - £1,436,000. Rent arrears have been maintained at the same level as the previous year.
The number of council tenants affected by welfare reforms who were visited in their own homes and provided with advice and support to minimise the impact of the changes	2,000	2,183	Encompasses tenants affected by any of the changes to the welfare benefits system including the bedroom tax.
The number of council tenants referred for money and debt advice as a direct result of face to face support on the impact of welfare reforms	150	197	
The value of financial savings generated for tenants as a direct result of face to face support on the affect of welfare reforms	£300,000	£338,143	This includes additional Housing Benefit and welfare benefit savings, together with assistance with water costs.
The number of people supported by tenancy support officers to access benefits they are entitled to [council housing only]	600	1,965	Promotion of the Welsh Water tariff <i>Help U</i> has led to a very large number of tenants having a reduction on their water rates saving on average £350.00 per year
Legal action resulting in a Court Order will be reasonable and proportionate to the number of ASB referrals	2%	1.27%	8/628 referrals for anti-social/nuisance behaviour with links to the housing management function, including noise (244 cases), verbal abuse/harassment/intimidation (188 cases), drugs (71 cases). The 8 cases included 5 injunctions and 3 Suspended possession Orders.
Maximise the use of the VIP to support tenants at risk of losing their homes	8	10	Target exceeded. Refers to number of referrals to the Valleys Inclusion Project.
Satisfaction with the way ASB complaints are handled by the TES.	90%	87.5%	A response rate of 22.2% (32/144)

## Key objectives for 2017/18

4.24 The key objectives for the section contained in the 2017/18 service plan:

- Seek member approval for selective re-designation of older persons' accommodation to general needs.
- Carry out a review of the wider housing stock to identify other opportunities to re-designate council housing stock to meet changing demands.
- Report on the de-pooling of service charges for sheltered accommodation from rents to be presented to P&R scrutiny committee in July 2017.
- Introduce a new charging system for sheltered housing and inform tenants of their new charges.
- Complete an on-going option appraisal, assessing the potential to remodel or redevelop (6 schemes), and possible re-classification of some older persons accommodation generally.
- Learn the lessons from the roll out of universal credit in Torfaen county borough in relation to housing costs for 18-21 year olds.
- Seek membership of and learn lessons from the Welsh Government led review of funding for supported accommodation.
- Provide training for frontline housing staff on welfare reform and the impact on tenants. Consider joint training with the housing associations and keep tenants informed.
- Carry out a review of the affordability checks undertaken by the council for new tenants.
- Prepare the business case for the replacement of the existing Capita Housing IT system.
- Introduce tablet devices to pilot the introduction and development of mobile working opportunities for officers, with a view to improving efficiency and effectiveness.
- Undertake an exercise to identify costs that need to be considered as part of the management charge for leaseholders.
- Consider the need for a local lettings policy in Lansbury Park, Caerphilly by preparing a clear evidence base.

## Main risks

4.25 The key risks identified for 2017/18 are:

- Incurred rent loss through low demand if we fail to secure member support to re-designate stock to meet changes in demand.
- Legislative and financial risk will occur if members fail to support new charging system for sheltered housing, however, its introduction could result in reduced levels of customer satisfaction and an increase in complaints received.
- Failure to identify or implement viable remodelling options or alternative uses for sheltered housing schemes could result in continued rent loss. Also, the preferred option for remodelling may be cost prohibitive to implement.
- Increased rent arrears and evictions could occur if we do not carry out appropriate affordability checks on prospective tenants.
- Insufficient resources to complete the business case for the replacement of the existing Capita Housing IT system would hinder our ambitions to improve the efficiency and effectiveness of services and introduce equality monitoring.
- An inability to recoup 100% of the cost of providing the leaseholder services management function will result in a reduction in income to use on maintaining existing or developing new services, due to the need to subsidise the function from our sources of funding.

## Welsh Housing Quality Standard

4.26 The Council has a housing stock of 10,822 properties comprising 13,000 tenants and will be investing over £200m in bringing all homes up to the Welsh Housing Quality Standard by 2020. Since embarking on the delivery of the programme, it has always been our intention to utilise this investment, not just to improve homes, but to also transform peoples lives and the communities in which they live.

- 4.27 The approach taken was in accordance with W.G. guidance and included consultation with tenants, which resulted in the programme being delivered by undertaking internal and external works separately and in different communities. The programme set out the number of properties that were required to be completed within each community for each year, in order to achieve the standard by 2020.
- 4.28 Due to the scale of the project, work was to be undertaken by the in-house workforce and external contractors and was structured to provide opportunities for local business in order to maximise support for the local economy. In addition, the contracts included core requirements for the contractors to provide community benefits, particularly in relation to providing opportunities for work placements, training, apprenticeships and jobs.
- 4.29 An environmental programme was also agreed in order to meet the WHQS requirements that properties be located in attractive and safe environments. This is programmed to be delivered over the next three years, with the work predominantly being undertaken by various in-house services including Housing Repair Operations Team, Highways Operations Group and Grounds Maintenance. Resources are also being used across Caerphilly Homes to assist in identifying projects through local knowledge, tenant and member enquiries, as well as consultation with various community groups.
- 4.30 The WHQS requires properties to meet the specific needs of the household which aims to not only assist with individuals' health and wellbeing, but also helps to reduce accidents within the home. To deliver on this requirement a number of Occupational Therapists have been appointed and work alongside our surveyors to provide a needs assessment. This has resulted in specific adaptations being made to tenants' homes to help with any medical or physical conditions they may have.
- 4.31 The WHQS section consists of 65 members of staff (direct delivery) charged to the WHQS programme (£2.6m) and 38 dedicated support staff funded by the HRA (£1.5m). The key areas of work are the delivery of a multi million pound annual capital programme (2017/18 - £53.5m). There are also WHQS related works managed through the revenue response budget and charged to the WHQS programme in relation to WHQS voids and heating installations (circa £2m). In addition, there is circa 174 in-house workforce assigned to the WHQS programme with a profile of £12m spend in 2017/18 to include the internal and external WHQS works to our sheltered schemes in addition to the general stock works.

#### Performance in 2016/17

- 4.32 Examples of achievements in 2016/17 include:
- Delivery of the 2016/17 capital investment programme (£31.4m) in respect of internal and external repairs and improvements.
  - Completion of internal improvement works to 2171 properties against a target of 2242.
  - Completion of external improvement works to 950 properties against a target of 3395.
  - Monitoring of standards set out in the Charter for Trust by both the in-house workforce and contractors. Standards met during the year was 85% against a target of 90%.
  - Delivery of a customer focussed programme with high levels of satisfaction recorded. Satisfaction levels achieved were 90% against a target of 80%.
  - Meet the requirements of Part 7 of WHQS by undertaking adaptations recommended by OT officers. There were 430 specific tenant adaptations made to properties during the year for WHQS works.
  - Implementation of the Environmental Programme Engagement Plan in accordance with the timetable agreed with WHQS Project Board, including minor wall repairs, installation of fencing, benches and bollards along with general tidying up of areas and carpark maintenance and repair.

#### Areas for improvement:

- 4.33 Areas that require improvement were identified as:

- Re-profiling and delivery of the internal works programme. Improved target of 2505 property completions has been set for 2017/18.
- Re-profiling and a stepped change in the delivery of the external works programme. A target of 4675 property completions has been set for 2017/18.
- Effective delivery of sheltered scheme programme. 11 number sheltered schemes have been prioritised for improvements for 2017/18.
- Focussed consultation, identification and delivery of environmental programme to ensure achievement by 2020.
- Resource review to meet stepped increased in WHQS programme delivery. Targeted recruitment to be undertaken from review to ensure capacity to deliver the programme is available and allocated.
- IT utilisation/innovation to improve efficiency. This will be achieved by further development of Keystone interfaces and reporting along with a roll out of more mobile working and wider use of appointment processes utilising DRS (Dynamic Resource Scheduling).
- Additional procurement options to ensure contingency with contractor availability. This will predominantly be focussed on the use of the DPS (Dynamic Purchasing System) arrangement that is being put in place for utilisation in the LRV with consideration of its wider use elsewhere in the borough as and when required.

Key Performance Indicators	Previous Year 2016/17		Progress / Comments
	Target	Actual	
Number of homes brought to WHQS as recorded on annual return to Welsh Government (The number of houses that have achieved WHQS standard in the year)	1,263	270	Due to the way in which the programme is configured (internal and external works undertaken in different sequence) the compliance rate for whole property completion will not materialise until later in the programme. During 2017/18 there are 26 community areas where either internal or external works are planned and there have previously been WHQS improvements made i.e. the works are now overlapping. As such these community areas are planned to achieve full WHQS compliance by March 2018. This will further increase in the following years and achieve full compliance of all properties by 2020.
Number of homes compliant with WHQS in respect of their external elements	3,395	950	The main reason for this level of performance has been that the lower Rhymney valley (LRV) did not have contractual arrangements in place to undertake external works. In addition there was a shortfall in contractor availability in both the north and east of the borough. The LRV contractor is now in place for commencement in April 2017 and also provides contingency to assist in other areas of the borough as and when needed. Further the DLO has been instructed to undertake external works to the sheltered schemes and private sector housing are assisting in delivering external works to leaseholder properties.
Number of homes compliant with WHQS in respect of their internal elements	2,242	2,171	Reasons why there is currently a slight under achievement include no access to tenants' properties and there have also been some issues with the performance of external contractors where they have not achieved the targets set. A new "No Access" procedure was introduced during 2016/17. This has



			identified that there have been 217 properties that tenants have failed to engage to allow works to progress. These properties have now been deferred to the end of the programme.
Charter for Trust Standards	90%	85%	Reasonable performance achieved. However, work is being undertaken with the contractors to ensure that performance in this area is improved. The Charter for Trust is key to ensuring tenants are at the centre of the successful delivery of the programme. This performance will be specifically targeted for action and improvement throughout the year within the monthly progress meetings undertaken with contractors.
No of homes adapted as part of WHQS works to meet specific needs of household.	N/a	430	There are no targets set as it is only from the surveys that you can identify if there are specific tenant needs. If identified these works are implemented. Since the start of the programme there have been 768 specific tenant property adaptations undertaken.
The % of tenants whose homes have been improved internally through the WHQS programme are satisfied with the completed works.	80%	90%	Overall performance is good with tenant expectations exceeding the targets set. This measure captures tenants' views on completion of the works to their property. The tenants generally reflect their satisfaction with the overall approach to the whole delivery of the improvements along with the final product.

## U Key objectives for 2017/18

### 4.34 The key objectives for the WHQS section contained in the 2017/18 service plan:

- Delivery of the 2017/18 capital investment programme in respect of internal and external repairs and improvements. The internal properties identified for improvements during 2017/18 are 2505 and for externals are 4675.
- Delivery of a customer focussed programme with high levels of satisfaction. Satisfaction levels have been set at 80% which is consistent with the approach identified at the start of the WHQS programme.
- To meet the requirements of Part 7 of WHQS by undertaking adaptations where these are identified.
- Implement environmental improvements to meet part 6 of the standard to create attractive and safe communities through direct engagement and consultation with communities throughout the borough. Over 200 minor improvement and repair schemes have already been identified during 2016/17 and will be delivered throughout 2017/18. Throughout 2017/18, work will concentrate primarily on identifying fewer, higher impact projects that seek to deliver wider benefits to local communities. It is impossible to determine how many individual projects will be delivered during 2017/18 until the consultation and engagement process has been undertaken however, it is anticipated that the environmental officers will deliver consultation and engagement events in a minimum of 18 communities during 2017/18.
- Identification and pursuit of external funding opportunities to support energy efficiency measures. This will be achieved by working closely with Welsh Government on the implementation of the ARBED scheme and or other energy efficiency measures that are to become available.
- Create a Coalition for Change (as per the Deep Place Study undertaken by Dr Mark Lang and Professor Dave Adamson) to oversee and guide the transformation of Lansbury Park specifically.

- Develop an appropriate governance structure and action plan to underpin the work of the Coalition for Change which sets out an initial framework for transformation over the next 3-5 years and which acknowledges that transformation is a long term commitment and may not be realised for a further 10-20 years.
- Develop a cohesive and sustainable place plan to identify a portfolio of physical improvements to Lansbury Park over the next 3-5 years.
- Ensure that the residents of Lansbury Park are engaged and involved in decisions affecting their community.
- Developing a cohesive and sustainable proposal to build a resilient community in Lansbury Park in readiness for a new WG regeneration programme in 2018/19.
- Deliver EWI and enhanced improvement programme to 320 Council homes and 76 privately owned homes as part of phase 1 in Lansbury Park.
- Deliver EWI and enhanced improvement programme to 200 Council homes and 98 privately owned homes as part of phase 2 (subject to receipt of ARBED funding) in Lansbury Park.

#### 4.35 Other priorities for 2017/18 include:

- Continue to maximise the delivery of community benefits resulting from the WHQS supply partner, internal works and external works contractual arrangements.
- Monitor standards set out in the Charter for Trust by both the in-house workforce and contractors. Ensure that the target of 90% satisfaction with standards met is achieved by closely monitoring and liaising and challenging contractors in monthly progress meetings.
- Completion of the Rowan Place improvement project. This was a £4.2M investment to transform Rowan Place which had Anti Social Behaviour issues and hard to let properties. The properties also suffered from extreme damp issues that needed resolution. Both the properties and the local environment have been transformed as a result of the investment.
- Support the Wales Audit Office with the pending review of the WHQS delivery programme.

#### Main risks

#### 4.36 The key risks identified for 2017/18 are:

- A range of factors may result in an inability to achieve WHQS programme objectives. Some of the key factors are detailed below. The programme is wide ranging in its remit and complex in the arrangements required for its delivery.
- Challenge to contract documentation/management/volumes/values leading to potential contractual disputes.
- Insufficient capacity to complete annual WHQS investment programme. There have been recruitment issues over previous years in both technical staff and workforce trades. This is predominantly down to an industry skills shortage and a buoyant market place. This could impact on the external works programme and the DLO Delivery teams.
- Changes to the business plan. (The council may not receive the major repairs allowance and/or the programme may have to be reviewed if the business plan became unviable). Although this is recognised as a risk it is considered a very low risk and extremely unlikely of occurring.
- Unforeseen costs could affect viability of the business plan and/or result in the programme being reviewed. This is a result of the Savills stock condition survey only being undertaken to 15% of the stock as a sample. However, existing in-house surveying is now significantly advanced and there are increasing levels of confidence in the data available. Further knowledge has also been gained from the works already undertaken. Taking into account both the works completed and the advanced in-house survey data any risk in relation to unforeseen costs is being minimised where possible.
- Our plans to carry out improvements in the Lansbury Park area may be compromised by a lack of funding to include the privately owned properties. However, there is ongoing

work being undertaken with Welsh Government to try and identify potential funding sources that will allow this work to be funded and progressed.

- Our efforts to facilitate the transformation of Lansbury Park may be hampered through a lack of multi agency support. However, the risk is minimal as a result of receiving support and endorsement from the PSB (Public Service Board) and also the creation of the Coalition for Change which is chaired by the Director of Communities and includes high level senior representatives from all key partner organisations.
- We may not be able to carry out the planned improvement programme in Lansbury Park if Welsh Government funding is not forthcoming. If this is the case the authority will need to consider any other options available to ensure the much needed transformation of Lansbury Park is not compromised.
- The EWI + Programme (phase 1 or 2 in Lansbury Park) may be delayed if we are unable to gain access to the properties when required. Experience to date identifies that this appears to be a low risk with works already being undertaken on site.
- Insufficient resources to identify, plan, organise and oversee works contracts. Alternate staffing arrangements have already been implemented to reduce this risk. Other Council service area's such as Building Consultancy, Engineering, Grounds Maintenance, Private Sector Housing and HRO are already being utilised to ensure sufficient resources are available. In addition job descriptions have been amended in some cases to make recruitment and utilisation of staff across roles more flexible such as combining the surveyor/Clerk of Works role.
- Contractor availability to undertake works may impact on delivery of the WHQS programme. This risk has been reduced by the introduction of the DPS contract for the LRV. This contract has the flexibility to be utilised anywhere in the borough and for internal works, external works and assistance with DLO works.

### **Monitoring arrangements**

4.37 The delivery of the objectives outlined in this report will be monitored through the following methods:

<b>Frequency</b>	<b>MONITORING ARRANGEMENT</b>
Weekly	Review financial & operational performance reports Consider weekly workloads
Monthly	WHQS Project Board Performance data review meetings Service plan review meetings Financial and operational performance and strategy review meetings. Financial monitoring meetings (capital)
Bi-monthly	Financial monitoring meetings (revenue)
6 weekly	Caerphilly Homes Task Group (WHQS) Housing management team meeting
Quarterly	Aspireview updated and reviewed Performance management meetings Performance management unit review support meeting Performance management reports – Aspireview Progress reports to chief officer
6 monthly	Reports to Policy and Resources scrutiny committee and Cabinet Progress reports to head of service Performance management meeting
Annually	Performance development reviews for all staff Benchmarking (APSE) Aspireview updated and reviewed Year end report to head of service Year end report to P&R scrutiny committee WHQS programme review (please see attached current community based programme in Appendix 1).

## **Conclusion**

Having assessed the outcomes and performance for 2016/17 as well as considering the challenges that Caerphilly Homes face, the following key priorities have been identified within the 2017/18 service plan, with the aim of delivering continuous improvement:-

The following priorities were identified in the 2017/18 service plan:

1. Improve delivery of the WHQS capital investment programme.
2. Investment in homes to transform lives and communities (Wellbeing Objective 5).
3. Undertake a number of initiatives to address low demand in council housing.
4. Complete the de-pooling of service charges from rents exercise in sheltered housing.
5. Carry out an options appraisal into the remodelling of a number of our sheltered housing schemes, including assessing the potential for redevelopment.
6. Consider the potential impact of further welfare reforms, including local housing allowance, on existing and prospective council, housing association and private rented sector tenants and identify solutions to mitigate the impact of such reforms.
7. Reviewing our ICT requirements including replacement of the Capita system, taking into consideration the collection, use and maintenance of data from the customer profiling exercise, and mobile working.
8. Implement a new management charge schedule for leaseholders.
9. Full operational implementation of the Rent Smart Wales scheme.
10. Contribute towards addressing the issues which resulted in Lansbury Park being identified as the most deprived area in Wales (WIMD 2014).

## **5. WELL-BEING OF FUTURE GENERATIONS**

- 5.1 The provision of a highly performing housing service is coterminous with the 7 well-being goals contained within the Well-being of Future Generations Act (Wales) 2015.

## **6. EQUALITIES IMPLICATIONS**

- 6.1 An equality impact assessment is not required as the report is for information purposes only.

## **7. FINANCIAL IMPLICATIONS**

- 7.1 There are no financial implications to this report, although, there may be in respect of the individual actions.

## **8. PERSONNEL IMPLICATIONS**

- 8.1 There are no personnel implications to this report, although, there may be in respect of the individual actions.

## **9. CONSULTATIONS**

- 9.1 Comments received following consultations during the course of preparing this report have been reflected within the content.

## **10. RECOMMENDATIONS**

- 10.1 Members are asked to consider the content of this report and, where appropriate, question and challenge the performance presented.

## **11. REASONS FOR THE RECOMMENDATIONS**

- 11.1 Performance management scrutiny affords members the opportunity to challenge, inform and shape the future performance of the housing service and the priorities presented within this report for 2017/18.

## **12. STATUTORY POWER**

- 12.1 Local Government Measure 2009.

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