



## CAERPHILLY HOMES TASK GROUP – 2ND JULY 2015

**SUBJECT: WHQS PERFORMANCE MONITORING 2014-2015 (FULL YEAR)**

**REPORT BY: INTERIM CHIEF EXECUTIVE**

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### **1. PURPOSE OF REPORT**

1.1 Details of the capital expenditure programme for 2014-15 for WHQS works are also included.

### **2. SUMMARY**

- 2.1 The report describes the arrangements that have been put in place to monitor and manage the performance of the WHQS programme for 2014-15. This includes a number of performance 'dashboards' used by a range of staff within the WHQS team. Performance is monitored and managed formally via the WHQS Management Delivery Team meetings, which occur every month.
- 2.2 The WHQS internal works programme for 2014-15 included 889 properties. Within this programme 52 properties were surveyed and found to require no works. Of the remaining 837 properties, work on 556 was undertaken by the in-house workforce, supported by specialist sub-contractors. The remaining 281 properties were planned to be undertaken entirely by the three main outside contractors; Keepmoat (Eastern Valleys); Contract Services (Lower Rhymney Valley); and Vinci (Upper Rhymney Valley). As of 5<sup>th</sup> June 2015, 439 properties within the in-house contractor programme were compliant in respect of their internal elements (73%). Details of compliance levels for each of the 31 contracts in the internal works programme 2014-15 are included in the report.
- 2.3 Arrangements have now been put in place to measure tenant satisfaction levels and compliance with service standards for the internal works contracts via surveys. A new survey methodology was introduced in 2014-15. The 104 surveys returned in relation to the in house provider reveal that the overall satisfaction level for internal works is 90%. They also reveal that 93% of the standards that we measure within the Charter For Trust document were achieved. An external works survey has been designed and will be implemented in 2015-16.
- 2.4 The WHQS external works programme for 2014-15 included 835 properties. Work on 504 of these properties was planned to be completed by the in-house workforce in the Lower Rhymney Valley, supported by sub-contractors. They were also carrying out external works on 76 properties at Rowan Place in the Upper Rhymney Valley. The majority of the remaining 255 properties were to be completed by outside contractors via small lots contracts in the Eastern Valley, with one small contract on 16 non-traditional construction properties also taking place in Upper Rhymney Valley. Work continues to produce a performance dashboard for external works. Details of works completed on the external works programme 2014-15 have not been entered into the Keystone system, which means that performance information is currently not available.

### 3. LINKS TO STRATEGY

- 3.1 **National Housing Strategy:** The Welsh Assembly Government's National Housing Strategy 'Better Homes for People in Wales' (2001) has key themes of quality and choice. The WAG vision for housing "*wants everyone in Wales to have the opportunity to live in good quality, affordable housing*".
- 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 **Local Housing Strategy:** Property Theme: "*Providing the opportunity for everyone to live in affordable, sustainable, good quality housing, regardless of tenure.*"  
And links specifically to Strategic Aim 6: Housing Management, "*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.*"

### 4. THE REPORT

#### 4.1 Performance monitoring and management arrangements

- 4.2 The performance of the WHQS Team is monitored using reports based on data within the Keystone asset management system. This system records information relating to the age of individual components within council homes, along with the estimated costs associated with replacing those components. The system is also used to monitor the contracts within the WHQS programme, and the actual costs associated with those contracts.
- 4.3 Performance is monitored continually via a number of bespoke dashboards that have been created by the Housing Systems and Performance team. The Internal Works Volume Metrics dashboard provides 'real time' information on the progress of all internal works contracts.. The Internal Works Financial Metrics dashboard provides up-to-date information on the costs incurred by all internal works contracts based on a Schedule of Rates used by Savills, as part of the stock condition survey carried out in 2008, together with an 'in-house' Schedule of Rates.
- 4.4 All the dashboards allow staff to drill down to see individual property detail from a high level summary view. Further dashboards will be developed for the external works programme which commenced in April 2014. This work has been delayed because of problems with the implementation of an external works Schedules of Rates and also with the adoption of mobile working. Six external works contracts from the 2015-16 WHQS programme are now operational within the Keystone system which will facilitate performance monitoring and management in the coming year.
- 4.5 Performance is reported formally to the monthly WHQS Management Delivery Team Meetings. Under-performance is challenged during these meetings and performance information is also used to develop forward planning strategy.
- 4.6 **Progress of the internal works programme 2014-15**
- 4.7 Surveying of 889 properties in the internal works programme for 2014-15 is complete. However there remain 14 kitchens; 11 bathrooms; 6 heating systems; and 4 electrical systems that are un-surveyed in a total of 28 properties. 26 of these properties are within the in-house contractor programme; and 2 within the outside contractor programme.
- 4.8 It can be seen from the two tables below that the original internal works programme for 2014-15 has reduced in size, partly due to works being completed early (167), but mainly because of contracts deferred to 2015-16 (565).

4.9 Table 1: Shows the in-house workforce contracts which were planned for 2014-15, but which were brought forward into 2013-14 and completed ahead of schedule:

| <b>Brought forward into 2013/14 Contracts - Contract names</b> | <b>No. Properties</b> |
|--|-----------------------|
| INT13D-E08 CARLYON RD\ROSE CT\CEFN CT-LOWER PANTSIDE           | 24                    |
| INT13D-E09 GLANSHON\LINDEN\WILLOW COURTS-UPPER PANTSIDE        | 35                    |
| INT13D-L08 FIRST AVENUE-TRECENYDD                              | 41                    |
| INT13D-U09 TY COCH (1-40)-RHYMNEY NORTH                        | 37                    |
| INT13D-U10 TY COCH (41-116)-RHYMNEY NORTH                      | 30                    |
| <b>Total:</b>  | <b>167</b>            |

4.10 Table 2: Shows the contracts planned for 2014-15, but which have been deferred to the 2015-16 programme:

| <b>Deferred to 2015/16 - Contract names</b>         | <b>No. Properties</b> |
|---|-----------------------|
| INT15C-EC04 DYLAN AVENUE/PWLLGLAS ROAD              | 35                    |
| INT15C-EC05 ST MARGARETS AVE/FAIRVIEW               | 33                    |
| INT15C-EC06 CEFN FFOREST AVE/TYNYCOED CRES          | 23                    |
| INT15C-EC07 DAVIES ST/BRYNGOLEU ST/BRYN RD          | 19                    |
| INT15C-EC08 GREENWOOD RD/WHEATLEY PL                | 24                    |
| INT15C-EC09 ADDISON ST/BEVAN CRES                   | 21                    |
| INT15C-EC10 WAUNBORFA/TWYNYFFALD/OLD POLICE STATION | 27                    |
| INT15C-EC11 BEDWELLY ROAD                           | 28                    |
| INT15C-EC12 PENCOED AVE - PART 1                    | 25                    |
| INT15C-EC13 PENCOED AVE - PART 2                    | 26                    |
| INT15C-EC14 PENCOED AVE - PART 3                    | 15                    |
| INT15C-EC15 PENYBRYN AVE/MARIANWEN ST               | 25                    |
| INT15D-E16 ELM DRIVE - EVENS PART 1                 | 29                    |
| INT15D-E17 ELM DRIVE - EVENS PART 2                 | 31                    |
| INT15D-E18 ELM DRIVE - ODDS                         | 19                    |
| INT15C-LC04 ALEXANDER COURT                         | 64                    |
| INT15C-LC05 BUXTON COURT                            | 57                    |
| INT15C-LC06 GRAHAM COURT                            | 64                    |
| <b>Total:</b>                                       | <b>565</b>            |

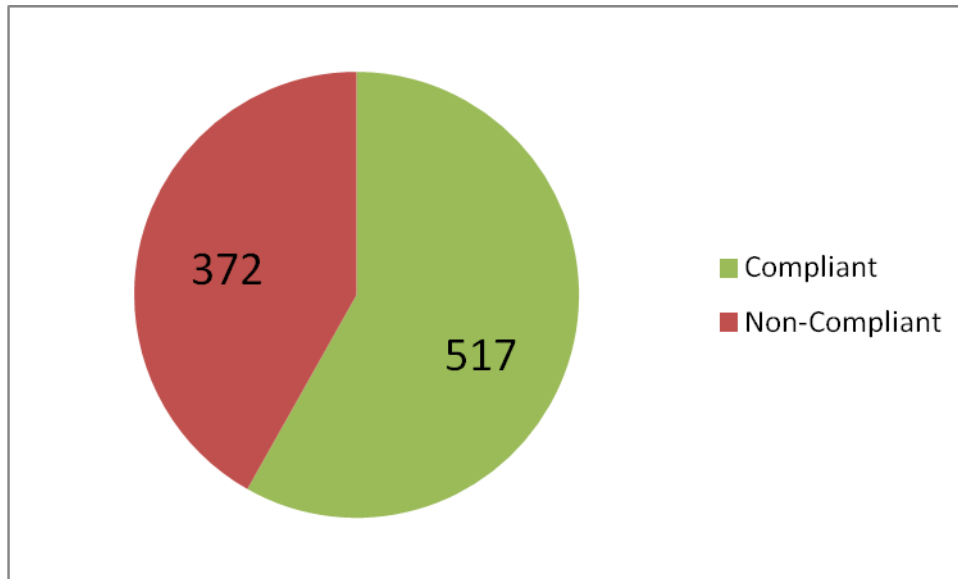
4.11 Internal works undertaken by outside contractors commenced late in 2014. Problems were experienced with the valuations process which has meant that information relating to completions of internal works undertaken by some outside contractors has not been entered into the Keystone system by WHQS Team staff. This means that the performance information within this report is not up-to-date and does not fully represent the amount of work completed by the outside contractors.

4.12 Work is being undertaken to ensure that target work start and target work end dates, together with actual start and end dates are entered into the Keystone system for the internal works programme for 2015-16. Start and end dates will also be entered for each of the four elements within each home (Kitchen, Bathroom, Heating and Electrics). This should improve the availability of performance management information during 2015-16.

4.13 Pie chart 1 (below) shows that at the time of writing 517 properties in the 2014-15 programme were compliant in relation to their internal elements. Upon surveying, 52 of these properties were found to be already compliant or were classed as acceptable fails – no works were therefore required in these homes. 'Compliance' indicates that a property meets the WHQS internally because:

- We have carried out works to renew one or more elements to achieve compliance.
- One or more elements within a property were already compliant.
- The tenant refused the renewal of one or more elements (this is classed as an acceptable fail – resident choice).
- Or any combination of the above reasons.

4.14 Pie chart 1: Internal works compliance (2014-15)



4.15 Contract work is delivered and managed in three geographical areas; Eastern Valleys; Lower Rhymney Valley; and Upper Rhymney Valley. Table 3 (below) reports on compliance levels within each of the 31 contracts within the 2014-15 WHQS programme. It reveals that overall 58% of the properties in the programme are now compliant. Where contracts have a low level of compliance, typically it indicates that works have not yet commenced, or have not yet been completed, or have been completed but not yet entered into the Keystone system by WHQS Team staff.

4.16 Table 3: Internal works compliance per contract (2014-15 programme)

| Contractor   | Area                 | Contract                                     | Compliant | Non-Comp.  | Grand Total | % Compliant |
|--|----------------------|--|-----------|------------|-------------|-------------|
| Keepmoat   | Eastern Valleys      | EC01 PERTH COURT/ADELAIDE COURT              | 0         | 25         | 25          | 0%          |
|  |                      | EC02 MELBOURNE COURT/SYDNEY COURT            | 0         | 27         | 27          | 0%          |
|  |                      | EC03 BRISBANE COURT/CWRT Y WAUN              | 0         | 27         | 27          | 0%          |
| Contract Services  | Lower Rhymney Valley | LC01 HALDANE COURT                           | 22        |            | 22          | 100%        |
|  |                      | LC02 ATTLEE COURT                            | 42        | 12         | 54          | 78%         |
|  |                      | LC03 GREENWOOD COURT                         | 8         | 12         | 20          | 40%         |
| Vinci  | Upper Rhymney Valley | UC01 MOUNTBATTEN/RAMSDEN/JENKINS/HAVARDS ROW | 2         | 41         | 43          | 5%          |
|  |                      | UC02 BEULAH/DUFFRYN/FORGE/THOMAS FIELDS      | 4         | 31         | 35          | 11%         |
|  |                      | UC03 BROOKFIELD AVE/EGLWYS FAN/BRYNHYFRYD    | 0         | 37         | 37          | 0%          |
| <b>Outside Contractor Sub Total (Includes 9 homes that were already compliant)</b> |                      |  | <b>78</b> | <b>212</b> | <b>290</b>  | <b>27%</b>  |
| In-House   | Eastern Valleys      | E10 ELM/LIME/OAK/PENYCAEAU COURT             | 31        | 2          | 33          | 94%         |
| In-House   |                      | E11 HIGH MEADOW - PART 1                     | 23        | 3          | 26          | 88%         |
| In-House   |                      | E12 HIGH MEADOW - PART 2                     | 14        | 2          | 16          | 88%         |
| In-House   |                      | E13 CENTRAL AVENUE - PART 1                  | 7         | 6          | 13          | 54%         |
| In-House   |                      | E14 CENTRAL AVENUE - PART 2                  | 15        | 2          | 17          | 88%         |
| In-House   |                      | E15 CLYTHA/PENRHIW/TWYN PLACE                | 14        | 10         | 24          | 58%         |
| In-House   | Lower Rhymney Valley | L09 WEST AVENUE/TY ISAF BUNGALOWS            | 15        | 1          | 16          | 94%         |
| In-House   |                      | L10 SECOND AVENUE                            | 26        | 4          | 30          | 87%         |
| In-House   |                      | L11 THIRD AVENUE/TEGFAN                      | 30        | 5          | 35          | 86%         |
| In-House   |                      | L12 GRANGE CLOSE                             | 26        | 7          | 33          | 79%         |
| In-House   |                      | L13 THE CRESCENT TRECENYDD                   | 29        | 1          | 30          | 97%         |
| In-House   |                      | L14 HEOL FACH/PEN Y FFORDD/EAST AVE          | 19        | 3          | 22          | 86%         |
| In-House   | Upper Rhymney Valley | L15 BRYNCENYDD                               | 14        | 19         | 33          | 42%         |
| In-House   |                      | U11 BRYN CARNO                               | 32        | 6          | 38          | 84%         |
| In-House   |                      | U12 GOLWG Y MYNYDD/HIGH ST/TWYN CARNO        | 16        | 5          | 21          | 76%         |
| In-House   |                      | U13 BRYNMYNACH AVE/COED YR HAF               | 19        | 4          | 23          | 83%         |
| In-House   |                      | U14 CENTRAL/EDWARD/GRIFFITHS/HILL/PANTYCELY  | 19        | 6          | 25          | 76%         |
| In-House   |                      | U15 CEFN RD/HEOL CELYN/DERW/DEWI/UCHAF/HILL  | 21        | 6          | 27          | 78%         |
| In-House   |                      | U16 ASHGR/BEECH/BRYNGL/MYRTLE/ACACIA/HENGOED | 23        | 6          | 29          | 79%         |

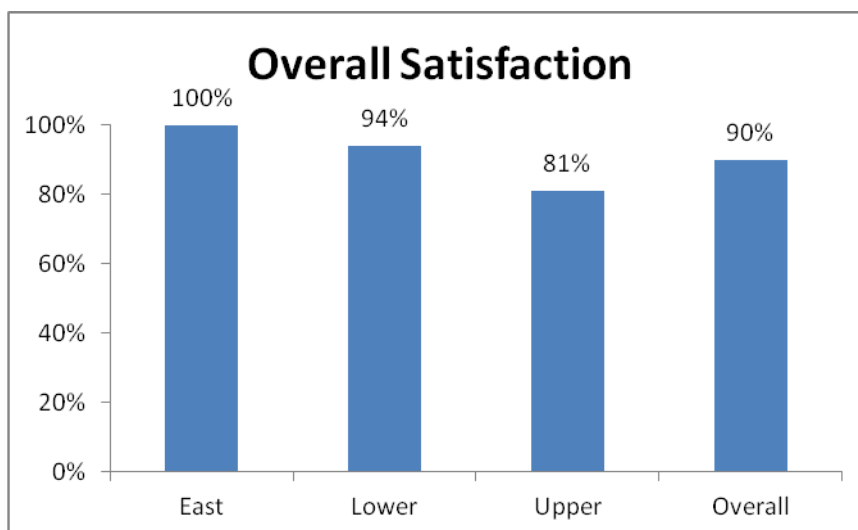
|  |  |                                    |            |            |            |            |
|--|--|------------------------------------|------------|------------|------------|------------|
| In-House   |  | U17 CHAPEL TERRACE/HAWTHORN AVENUE | 26         | 10         | 36         | 72%        |
| In-House   |  | U19 ROWAN PLACE                    | 11         | 25         | 36         | 31%        |
| In-House   |  | U20 ROWAN PLACE                    | 9          | 27         | 36         | 25%        |
| <b>In-House Contractor Sub Total (Includes 43 homes that were already compliant)</b> |  |                                    | <b>439</b> | <b>160</b> | <b>599</b> | <b>73%</b> |
| <b>Grand Total</b>   |  |                                    | <b>517</b> | <b>372</b> | <b>889</b> | <b>58%</b> |

4.17 **Tenant satisfaction with the internal works programme 2014-15**

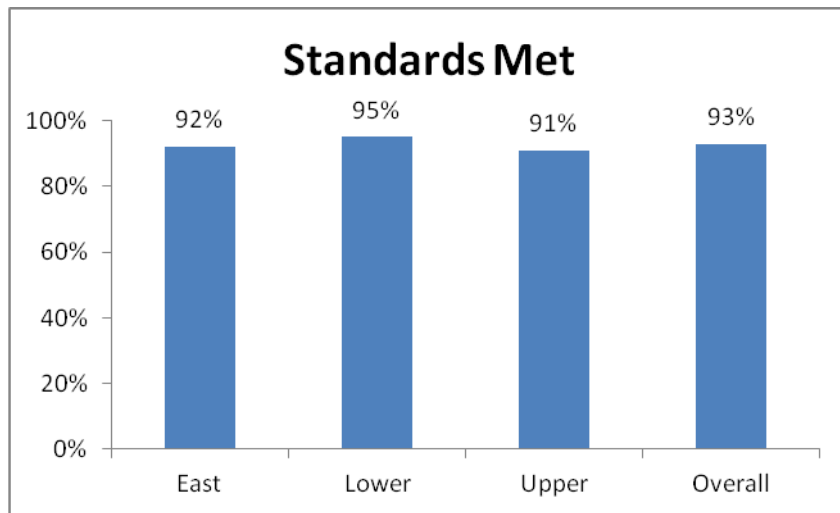
- 4.18 Tenant satisfaction levels and compliance with service standards for internal works are measured via surveys which are sent to tenants after a contract has been completed. The Housing Systems and Performance section administer this service and send surveys out when prompted by managers within the WHQS following full contract completion. This procedure had led to delays in survey cards being sent out and surveys have only recently been sent in relation to contracts in the internal works programme for 2014-15. This was an unsatisfactory surveying method as tenants should receive a survey shortly after the works have been completed when the experience is still fresh in their minds. During 2014-15 a new method of sending out survey forms was introduced based on the date of the sign-off meeting held between tenants, tenant liaison officers and foremen to improve these returns.
- 4.19 This new procedure should have improved the efficiency of the survey process and ensured that timely satisfaction data was produced. However, insufficient completion data has been entered into the Keystone system for a number of properties. The number of surveys sent out for 2014-15 contracts is therefore below the number that should have been sent out. A total of 329 surveys were sent out and 104 were completed which represents an overall return rate of 32%. Of the 104 completed surveys, 10 were completed by tenants within their homes with the assistance of tenant representatives (CSIMs).
- 4.20 Table 4 below provides a summary and breakdown of the returned surveys for each of the WHQS Team operational areas within the County Borough. It shows that the overall satisfaction level for internal works is 90%. It also shows that we are achieving 93% of the standards that we measure within the Charter For Trust document. Charts 1 and 2 display these two measures for each of the WHQS Team operational areas.
- 4.21 Table 4: Satisfaction levels and standards met by WHQS Team operational areas (2014-15).

| Area           | Surveys Returned | Overall Satisfaction | Standards Met |
|----------------|------------------|----------------------|---------------|
| East           | 14               | 100%                 | 92%           |
| Lower          | 51               | 94%                  | 95%           |
| Upper          | 39               | 81%                  | 91%           |
| <b>Overall</b> | <b>104</b>       | <b>90%</b>           | <b>93%</b>    |

4.22 Chart 1: Overall satisfaction levels by WHQS Team operational areas (2014-15).



4.23 Chart 2: Standards met by WHQS Team operational areas (2014-15).



4.24 Table 5 below summarises satisfaction levels and standards met by contractor. Only Contract Services contracts have been surveyed because of the lack of completion data within the Keystone system for the other two contractors. Table 6 below provides survey results per contract where surveys have been undertaken.

4.25 Table 5: Overall satisfaction levels and standards met by contractor (2014-15).

| <b>Contractor</b>         | <b>Surveys Returned</b> | <b>Overall Satisfaction</b> | <b>Standards Met</b> |
|---------------------------|-------------------------|-----------------------------|----------------------|
| Keepmoat (East)           | 0                       | N/A                         | N/A                  |
| Contract Services (Lower) | 17                      | 88%                         | 94%                  |
| Vinci (Upper)             | 0                       | N/A                         | N/A                  |
| In-House                  | 87                      | 90%                         | 93%                  |



4.26 Table 6: Overall satisfaction levels and standards met for individual contracts (2014-15)

| Contract  | Surveys Returned | Overall Satisfaction | Standards Met |
|---|------------------|----------------------|---------------|
| LC01 HALDANE COURT                              | 8                | 100%                 | 95%           |
| LC02 ATTLEE COURT                               | 8                | 88%                  | 93%           |
| LC03 GREENWOOD COURT                            | 1                | 0%                   | 92%           |
| E11 HIGH MEADOW - PART 1                        | 8                | 100%                 | 88%           |
| E12 HIGH MEADOW - PART 2                        | 4                | 100%                 | 100%          |
| E15 CLYTHA/PENRHIW/TWYN PLACE                   | 2                | 100%                 | 92%           |
| L09 WEST AVENUE/TY ISAF BUNGALOWS               | 3                | 100%                 | 100%          |
| L10 SECOND AVENUE                               | 7                | 100%                 | 91%           |
| L11 THIRD AVENUE/TEGFAN                         | 1                | 100%                 | 92%           |
| L12 GRANGE CLOSE                                | 7                | 100%                 | 99%           |
| L13 THE CRESCENT TRECENYDD                      | 13               | 91%                  | 98%           |
| L14 HEOL FACH/PEN Y FFORDD/EAST AVE             | 3                | 100%                 | 94%           |
| U11 BRYN CARNO                                  | 11               | 50%                  | 88%           |
| U12 GOLWG Y MYNYDD/HIGH ST/TWYN CARNO           | 6                | 83%                  | 89%           |
| U13 BRYNMYNACH AVE/COED YR HAF                  | 1                | 100%                 | 100%          |
| U14<br>CENTRAL/EDWARD/GRIFFITHS/HILL/PANTYCELY  | 6                | 100%                 | 100%          |
| U15 CEFN RD/HEOL<br>CELYN/DERW/DEWI/UCHAF/HILL  | 5                | 100%                 | 85%           |
| U16<br>ASHGR/BEECH/BRYNGL/MYRTLE/ACACIA/HENGOED | 4                | 75%                  | 85%           |
| U17 CHAPEL TERRACE/HAWTHORN AVENUE              | 4                | 100%                 | 93%           |
| U18 MISC CATCH UP                               | 2                | 100%                 | 100%          |
| <b>Overall</b>                                  | <b>104</b>       | <b>90%</b>           | <b>93%</b>    |

4.27 **The capital expenditure programme for WHQS works (2014-15)**

- 4.28 The total expenditure on the WHQS capital programme for 2014/15 was £15.3m against an intended budgeted spend of £28.8m.
- 4.29 The high level of underspend, (which equates to 47% of the budget) was predicted throughout the year and reported previously to CHTG. As in 2013/14, previously achieved works were identified on approximately 36% of the total properties in the programme, and a small percentage for refusals. Delays on awarding the internal works contracts and issues with the small lots contract in the Eastern Valley, as well as recruitment problems for appropriately qualified trade and technical staff have also contributed to the shortfall.
- 4.30 To address the anticipated underspend and to maintain the workflow for the in-house team, the 2015/16 WHQS programme has been revised to reflect the slippage coming forward.
- 4.31 Additional works were also identified that were outside of the WHQS programme which could not be delayed to fit into future work programmes, such as heating installations, which accounted for £1.1m of the total spend. Furthermore, WHQS works picked up as part of the response operations which included properties as they become void accounted for £574k.
- 4.32 The valuations that take place throughout the year on the works completed to date are based on the Savills Schedule of Rates (SOR) which has been used to cost up the programmes of work in Keystone. These valuations allow for the costs of the work to be charged to the WHQS capital programme. As part of the merger of the Building Maintenance DLO with the HRA, a WHQS holding account was set up so that the actual costs of the in-house workforce

could be compared with the SOR used to evaluate the work. After the valuations were completed there was some £3.7m of costs in the holding account that had not been recharged to the programme via the valuation process. There are a number of reasons for this variance such as the single source supplier management fee and the in-house workforce bearing higher costs than a private provider which are outside of the teams' control, but also the SOR rates used to undertake the valuation are out of date and do not reflect the full cost of the work being carried out. A new SOR version is imminent which will reflect additional works and up to date prices and should close the variance gap.

- 4.33 Funding for the 2014/15 programme was met from the Major Repairs Allowance (MRA) given by WG of £7.3m, and revenue contributions from the HRA of £8m. The HRA allowed for the high level of revenue contributions and remained viable at the end of the year.
- 4.34 The Councils Business Plan (which is required for scrutiny from WG each year and is relied upon to release the MRA funding), allows for the expenditure mentioned in this report and forecasts for the next 30 years. The plan remains viable at this stage.

## **5. EQUALITIES IMPLICATIONS**

- 5.1 An Equalities Impact Assessment is not needed because the issues covered are for information purposes only, therefore the Council's full EIA process does not need to be applied.

## **6. FINANCIAL IMPLICATIONS**

- 6.1 There are no direct financial implications arising from this report.

## **7. PERSONNEL IMPLICATIONS**

- 7.1 There are no direct personnel implications arising from this report.

## **8. CONSULTATIONS**

- 8.1 Comments received have been incorporated within the report.

## **9. RECOMMENDATIONS**

- 9.1 The report is for information.

## **10. REASONS FOR THE RECOMMENDATIONS**

- 10.1 To inform the CHTG of progress in the implementation of the WHQS Programme.

## **11. STATUTORY POWER**

- 11.1 Housing Acts 1985, 1996 & 2004.

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Shaun Couzens – Chief Housing Officer  
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Jane Roberts-Waite – Strategic Co-ordination Manager - WHQS Programme  
Marcus Lloyd – Deputy Head of Programme (WHQS)

Appendices:  
Appendix 1 - WHQS budget monitoring report 2014/15