

Pecyn Dogfennau Cyhoeddus

Penallta House,
Tredomen Park,
Ystrad Mynach,
Hengoed CF82 7PG

Ty Penallta,
Parc Tredomen,
Ystrad Mynach,
Hengoed CF82 7PG



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Am unrhyw ymholiad yn ymwneud â'r agenda hwn cysylltwch â Amy Dredge
(Rhif Ffôn: 01443 863100 E-bost: dredge@caerphilly.gov.uk)

Dyddiad: Dydd Mercher, 5 Medi 2018

Annwyl Syr/Fadam,

Bydd cyfarfod **Cabinet** yn cael ei gynnal yn **Ystafell Sirhywi, Tŷ Penallta, Tredomen, Ystrad Mynach ar Dydd Mercher, 12fed Medi, 2018 am 10.30 am.** i ystyried materion a gynhwysir yn yr agenda canlynol. Gall cynghorwyr a'r cyhoedd sy'n dymuno siarad am unrhyw eitem wneud hynny drwy wneud cais i'r Cadeirydd. Mae croeso i chi hefyd ddefnyddio'r Gymraeg yn y cyfarfod. Mae'r ddau gais hyn yn gofyn am gyfnod rhybudd o 3 diwrnod gwaith, a bydd cyfieithu ar y pryd yn cael ei ddarparu os gofynnir amdano.

Mae pob cyfarfod Pwyllgor yn agored i'r Wasg a'r Cyhoedd. Gofynnir i arsylwyr a chyfranogwyr ymddwyn gyda pharch ac ystyriaeth at eraill. Sylwer y bydd methu â gwneud hynny yn golygu y gofynnir i chi adael y cyfarfodydd ac efallai y cewch eich hebrwng o'r safle.

Yr eiddoch yn gywir,

Christina Harrhy
PRIF WEITHREDWR DROS DRO

AGENDA

Tudalennau

1 I dderbyn ymddiheuriadau am absenoldeb

A greener place Man gwyrddach



2 Datganiadau o Ddiddordeb.

Atgoffi'r Cynghorwyr a Swyddogion o'u cyfrifoldeb personol i ddatgan unrhyw fuddiannau personol a/neu niweidiol mewn perthynas ag unrhyw eitem o fusnes ar yr agenda hwn yn unol â Deddf Llywodraeth Leol 2000, Cyfansoddiad y Cyngor a'r Cod Ymddygiad ar gyfer Cynghorwyr a Swyddogion.

3 Cabinet a gynhaliwyd ar yr 25ain Gorffennaf 2018.

1 - 10

I dderbyn ac ystyried yr adroddiad(au) canlynol y mae angen penderfyniadau gweithredol arnynt

4 Strategaeth Rheoli Asedau Cartrefi Caerffili.

11 - 32

5 Ailfodelu ac Ail-ddosbarthu Llety Pobl Hŷn

33 - 56

6 Opsiynau ar gyfer Cynyddu'r Cyflenwad o Stoc Tai Cyngor.

57 - 78

Cylchrediad:

Cynghorwyr

C.J. Cuss, N. George, C.J. Gordon, Mrs B. A. Jones, P.A. Marsden, S. Morgan, L. Phipps, D.V. Poole a Mrs E. Stenner,

A Swyddogion Priodol.

SUT FYDDWN YN DEFNYDDIO EICH GWYBODAETH

Bydd yr unigolion hynny sy'n mynychu cyfarfodydd pwyllgor i siarad/roi tystiolaeth yn cael eu henwi yng nghofnodion y cyfarfod hynny, weithiau bydd hyn yn cynnwys eu man gweithio neu fusnes a'r barnau a fynegir. Bydd cofnodion o'r cyfarfod gan gynnwys manylion y siaradwyr ar gael i'r cyhoedd ar wefan y Cyngor ar www.caerffili.gov.uk. ac eithrio am drafodaethau sy'n ymwneud ag eitemau cyfrinachol neu eithriedig.

Mae gennych nifer o hawliau mewn perthynas â'r wybodaeth, gan gynnwys yr hawl i gael mynediad at wybodaeth sydd gennym amdanoch a'r hawl i gwyno os ydych yn anhapus gyda'r modd y mae eich gwybodaeth yn cael ei brosesu.

Am wybodaeth bellach ar sut rydym yn prosesu eich gwybodaeth a'ch hawliau, ewch i'r Hysbysiad Preifatrwydd Cyfarfodydd Pwyllgor Llawn ar ein gwefan <http://www.caerffili.gov.uk/Pwyllgor/Preifatrwydd> neu cysylltwch â Gwasanaethau Cyfreithiol drwy e-bostio griffd2@caerffili.gov.uk neu ffoniwch 01443 863028.



CABINET

COFNODION Y CYFARFOD A GYNHALIWDYD YN NHŶ PENALLTA, TREDOMEN AR DDYDD MERCHER, 25AIN GORFFENNAF 2018 AM 2.00 P.M.

YN BRESENNOL

Y Cyngorydd D.V. Poole - Cadeirydd

Cynghorwyr:

C. Cuss (Aelod Cabinet dros Ofal Cymdeithasol a Lles), N. George (Aelod Cabinet dros Wasanaethau'r Gymdogaeth), C. Gordon (Aelod Cabinet dros Wasanaethau Corfforaethol), B.A. Jones (Aelod Cabinet dros Gyllid, Perfformiad a Llywodraethu), P. Marsden (Aelod Cabinet dros Addysg a Chyrhaeddiad), S. Morgan (Aelod Cabinet dros yr Economi, Isadeiledd a Chynladwyedd), L. Phipps (Aelod Cabinet dros Gartrefi a Lleoedd) ac E. Stenner (Aelod Cabinet dros Yr Amgylchedd a Diogelwch y Cyhoedd).

Ynghyd â:

C. Harrhy (Prif Weithredwr Dros Dro), R. Edmunds (Cyfarwyddwr Corfforaethol dros Addysg a Gwasanaethau Corfforaethol), M. S. Williams (Cyfarwyddwr Corfforaethol Dros Dro - Cymunedau), G. Jenkins (Cyfarwyddwr Cynorthwyol - Gwasanaethau Plant), M. Lloyd (Pennaeth Isadeiledd), S. Couzens (Prif Swyddog Tai), C. Davies (Rheolwr Tai'r Sector Preifat Dros Dro), J. Morgan (Rheolwr Safonau Masnach, Trwyddedu a Chofrestryddion), L. Morgan (Rheolwr Trwyddedu) ac A. Dredge (Swyddog Gwasanaethau Pwyllgor).

1. YMDDIHEURIADAU AM ABSENOLDEB

Derbyniwyd ymddiheuriad am absenoldeb gan D. Street (Cyfarwyddwr Corfforaethol - Gwasanaethau Cymdeithasol a Thai).

2. DATGANIADAU O DDIDDORDEB

Datganodd y Cynghorwyr S. Morgan, D. V. Poole, Mrs E. Stenner a M. S. Williams (Cyfarwyddwr Corfforaethol Dros Dro – Cymunedau) ddiddordeb personol mewn perthynas ag Eitem Agenda 6 - Cynlluniau Benthyciadau Gwella Cartrefi Cenedlaethol Diwygiedig a newidiadau cysylltiedig i'r Polisi Adnewyddu Tai'r Sector Preifat, ar ddechrau'r cyfarfod.

Datganodd y Cynghorwyr N. George a B. A. Jones ddiddordeb personol mewn perthynas ag Eitem Agenda 9 - Strategaeth Ddrafft Rheoli Asedau Cartrefi Caerffili, ar ddechrau'r cyfarfod.

3. COFNODION Y CABINET - 11EG GORFFENNAF 2018

Cymeradwywyd cofnodion cyfarfod y Cabinet a gynhaliwyd ar 11eg Gorffennaf 2018 a'u llofnodi fel cofnod cywir.

MATERION OEDD ANGEN PENDERFYNIADAU GWEITHREDOL

4. RECRIWTIO A CHADW GWEITHWYR CYMDEITHASOL MEWN TIMAU ARDAL GWASANAETHAU PLANT

Diweddarwyd y Cabinet gan yr adroddiad ynghylch yr heriau sy'n wynebu recriwtio a chadw o fewn y Gwasanaethau Plant a'r cydberthynas uniongyrchol â graddfeydd cyflog cyfredol y Cyngor ar gyfer Gweithwyr Cymdeithasol ac Uwch Ymarferwyr. Mae'r adroddiad hefyd yn nodi adnoddau ychwanegol sydd eu hangen i reoli'r cynnydd sylweddol yn y llwyth gwaith a brofwyd dros y 12 i 18 mis diwethaf yn ddiogel.

Eglurwyd bod Timau Gwasanaethau Plant Rheng Flaen, a elwir yn Dimau Ardal yng Nghaerffili, yn hanesyddol yn feysydd lle gall recriwtio a chadw staff fod yn heriol. Mae chwe Tîm Ardal ar draws y Fwrdeistref ac maent yn darparu cymorth gwaith cymdeithasol uniongyrchol i blant, pobl ifanc a'u teuluoedd. Atgoffwyd y Cabinet am y pwysau gwasanaeth a wynebir ar draws Gwasanaethau Plant gyda chymhlethdod cynyddol anawsterau sy'n cael eu cyflwyno gan deuluoedd, y cynnydd sylweddol o 100 o Blant sy'n Derbyn Gofal, y gorwariant cyllidebol rhagamcanol canlyniadol a gofynion di-droi'n ôl y cynnydd mewn Achosion Llys. Mae'r Gwasanaethau Plant yn dibynnu ar Weithwyr Cymdeithasol ac Uwch-ymarferwyr sydd wedi'u hyfforddi'n broffesiynol a'u cofrestru er mwyn cyflawni ei swyddogaeth statudol. Mae sicrhau bod gan y Cyngor weithlu o safon uchel yn hanfodol i reoli'r risgiau i blant, pobl ifanc a theuluoedd ar draws y Fwrdeistref. Dros y 12-18 mis diwethaf, profwyd anawsterau cynyddol wrth recriwtio a chadw staff cymwysedig yn y chwe Tîm Ardal Rheng flaen ar draws yr Adran.

Nodwyd bod y trafodaethau a wneir gyda staff sy'n gadael ac ymgeiswyr posibl nad ydynt yn derbyn swyddi yn cadarnhau bod y lefel bresennol o dâl yn ffactor hollbwysig. Mae'r Cyngor yn cynnig y cyflog cychwynol isaf a graddfa gyflog gyfyngedig ar gyfer eu swyddi Gweithwyr Cymdeithasol o'i gymharu ag Awdurdodau Lleol cyfagos y mae Caerffili mewn cystadleuaeth uniongyrchol ar eu cyfer ar gyfer staff cymwys. Cydnabuwyd mai Caerffili oedd un o'r Cynghorau cyntaf i weithredu Gwerthusiad Swyddi gyda Chasnewydd a Sir Fynwy yn ddau o'r rhai mwyaf diweddar i gwblhau'r dasg. Gall hyn fod yn ffactor yn y gwahaniaeth mewn graddfeydd cyflog ar draws y Cynghorau.

Trafododd y Cabinet y materion recriwtio a chadw ac effaith y baich gwaith ychwanegol ac atgoffwyd Aelodau bod y Cabinet, ym mis Gorffennaf 2017, wedi cymeradwyo recriwtio dau Weithiwr Cymdeithasol tymor penodol ychwanegol i'r Timau Ardal i gefnogi pwysau cynyddol y llysoedd. Yn anffodus, nid yw'r Adran wedi gallu recriwtio i'r swyddi hyn. Cyflwynwyd adroddiad i'r Tîm Rheoli Corfforaethol a gytunodd yn ei dro y dylid sefydlu Tasglu sy'n cynnwys Cyllid, Adnoddau Dynol a Gwasanaethau Cymdeithasol i nodi opsiynau. Yr opsiynau a ystyriwyd gan y Tasglu oedd ailraddio Gweithwyr Cymdeithasol i Radd 10 ac Uwch Ymarferwyr i Radd 11 o fewn y Graddfeydd Tâl Gwerthuso Swyddi presennol i alinio Caerffili â'r Cynghorau eraill yng Ngwent. Bu'r Grŵp yn ystyried yr opsiwn hwn a daeth i'r casgliad na ddylai'r Cyngor ail-werthuso'r swyddi Gradd 9-12 oherwydd y potensial hawlio cyflog cyfartal ar gyfer pob swydd arall yn y graddau hynny ar draws y Cyngor cyfan. Yr ail ddewis a ffafriwyd oedd cyflwyno atodiad marchnad i gydnabod yr anawsterau recriwtio a'r pwysau ar y baich gwaith yn Nhimau Ardal Gwasanaethau Plant yn unig. Byddai'n rhaid i'r atodiad hwn fod yn £3227 i'w wneud yn gystadleuol â Chasnewydd a Sir Fynwy. Ystyriodd y Grŵp a ddylid gwneud hyn ar draws yr Is-adran a/neu'r Gyfadran a chytunodd fod y rhesymeg dros gymhwyso'r atodiad wedi ei glymu'n glir ag anawsterau recriwtio di-baid a pharhaus dros 18 mis mewn Timau penodol.

Yn ogystal, cynghorwyd y Cabinet bod cefnogi staff anghymwys i ymgymryd â hyfforddiant i fod yn gymwys ac i gofrestru fel Gweithiwr Cymdeithasol yn ffordd brofedig o sicrhau bod modd llenwi swyddi gwag wrth fynd rhagddi. Roedd y secondiadau hyn wedi'u hatal o'r blaen ac erbyn hyn cytunwyd y dylai cyfleoedd secondiad ail-ddechrau yn y Gwasanaethau Plant yn unig, gan ddefnyddio cyllid grant Llywodraeth Cymru sydd ar gael trwy Ddatblygu'r Gweithlu. Bydd staff a secondiwyd angen diwrnodau astudio a bod cyfleoedd lleoli ar gael.

O ran goblygiadau ariannol, cadarnhawyd mai £264,776 fydd cost blwyddyn lawn o weithredu atodiad marchnad o £3,227 i'r swyddi o fewn y chwe Thîm Ardal. Mae hyn yn seiliedig ar 7 Gweithiwr Cymdeithasol a 3 Uwch Ymarferydd ym mhob un o'r chwe thîm ynghyd â'r ddwy swydd ychwanegol y cytunwyd arnynt y llynedd ac mae'n cynnwys cyfraniadau Yswiriant Gwladol a Phensiwn y cyflogwr. Byddai cost blwyddyn lawn y 4 Gweithiwr Cymdeithasol ychwanegol (Gradd 9 ac atodiad marchnad) ac 1 Swyddog Adolygu Annibynnol (Gradd 10 heb unrhyw atodiad marchnad) oddeutu £244 mil. Cynigir bod y gost ychwanegol o £338,666 ar gyfer gweddill 2018/19 yn cael ei ariannu trwy'r defnydd unwaith ac am byth o Gronfeydd Wrth Gefn Gwasanaethau Cymdeithasol. Bydd angen ymgorffori blynyddoedd ariannol dilynol yn y broses gosod cyllideb ar gyfer 2019/20 yng ngoleuni'r twf a ragwelir i'w ddyrannu i'r Gyfadran Gwasanaethau Cymdeithasol.

Yn ddiweddar, cyfarfu'r Aelod Cabinet dros Ofal Cymdeithasol a Lles â phob un o'r Timau Ardal a chyfeiriodd at y pryderon a fynegwyd gan staff ac yn arbennig y lefelau cyflog presennol. Pwysleisiodd fod y Timau yn Wasanaethau Rheng Flaen a bydd yr ychwanegiad marchnad hwn yn talu'r ffordd wrth gefnogi staff presennol trwy sicrhau cysondeb gyda'r gefnogaeth a'r gwasanaethau sydd ar gael i deuluoedd. Mae'r staff o'r farn bod ganddynt rwydwaith cymorth da o'u cwmpas. Cefnogodd y Cabinet y cynigion yn llwyr ac ymestynnodd eu llongyfarchiadau i'r staff ymrwymedig a ffyddlon sydd wedi dangos eu hymrwymiad gyda'r pwysau gwasanaeth cynyddol o fewn y Gyfadran.

Yn dilyn ystyriaeth a thrafodaeth, cynigiwyd ac eiliwyd bod yr argymhellion yn yr adroddiad yn cael eu cymeradwyo. Cytunwyd ar hyn yn unfrydol drwy godi dwylo.

PENDERFYNWYD, am y rhesymau a gynhwysir yn Adroddiad y Swyddog:-

- (i) i nodi cynnwys yr adroddiad;
- (ii) cymeradwyo'r defnydd o Gronfeydd Wrth Gefn Gwasanaethau Cymdeithasol yn y swm o £338,666 i ariannu'r cynigion canlynol ar gyfer gweddill 2018/19:
 - a) recriwtio pedwar Gweithiwr Cymdeithasol ychwanegol (yn ychwanegol at y ddwy swydd heb eu llenwi y cytunwyd arnynt y llynedd) a Swyddog Adolygu Annibynnol i gwrdd â gofynion llwyth gwaith;
 - b) cymhwyso atodiad marchnad o £3,227 i'r holl swyddi Gweithwyr Cymdeithasol ac Uwch Ymarferwyr yn y chwe Thîm Ardal Gwasanaethau Plant, a fydd yn cael ei adolygu 12 mis ar ôl ei weithredu, gydag adroddiad pellach yn cael ei gyflwyno i'r Cabinet bryd hynny.

5. CYNNIG I GYNYDDU PRISIAU TEITHIAU CLUDIANT HACNI

Roedd yr Adroddiad yn gofyn am gymeradwyaeth y Cabinet ar gyfer y cynnydd arfaethedig ym Mhrisiau Teithiau Cludiant Hacni. Dywedwyd wrth y Cabinet fod yr Adroddiad wedi cael ei ystyried gan y Pwyllgor Tacsï a Chyffredinol ar 21ain Mehefin 2018 o ganlyniad i geisiadau a dderbyniwyd gan Gymdeithas Gyrwyr Tacsï Bwrdeistref Sirol Caerffili (CGTBSC) a dau Berchennog Cerbydau Hacni, i gynyddu'r Prisiau Teithiau Cludiant Hacni.

Eglurwyd bod y prisiau presennol wedi bod yn eu lle ers 2010 ac y dylid adolygu hyn yn unol â'r hinsawdd economaidd bresennol. Cyfeiriwyd y Cabinet at y wybodaeth a gynhwysir yn yr adroddiad a'i atodiadau, gan gynnwys y prisiau cyfredol, sefyllfa'r Cyngor o fewn y Tabl Prisiau Cludiant Cenedlaethol, gymhariaeth o'r prisiau dwy filltir ar draws Cymru, cymhariaeth o bob cynnig fel yr awgrymwyd gan y busnesau tacsï a'r Awdurdod Trwyddedu yn dangos y prisiau arfaethedig yn seiliedig ar deithiau 1 i 5 milltir. Darparwyd manylion am y cynigion a wnaed gan y busnesau tacsï, prisiau newydd drafft yn seiliedig ar y cynnig mwyaf poblogaidd, ac Asesiad o'r Effaith ar Gydraddoldeb y Cyngor hefyd.

Cadarnhawyd bod yr ymgynghoriad yn cael ei gynnal gyda phob masnachwr mewn perthynas â'r cynigion a'r ymatebion a lefel y gefnogaeth ganlynol ar gyfer pob cynnig, fel y nodwyd yn Adran 4.6 o'r adroddiad. Roedd Cynnig 1 yn cynnwys yr un awgrymiadau a wnaed gan y gymdeithas tacsis ac un perchennog, tra bod Cynigion 2 a 3 yn cael eu cyflwyno gan drwyddedai arall. Nodwyd bod yr Adran Drwyddedu wedi awgrymu ei chynnig ei hun (Cynnig 4) fel rhan o'r ymarferiad cynyddu'r prisiau, a gefnogwyd gan y mwyafrif o'r ymatebwyr (46 allan o 97 o ymatebwyr a oedd yn cyfateb i 47.4% o'r ymatebion). Byddai hyn yn gweld cynnydd pris i brisiau cludiant o rhwng 4%-13%, yn dibynnu ar y cyfnod prisiau perthnasol. Gofynnwyd i'r Aelodau hefyd nodi'r cynnig i ddiwygio'r amrediad ar gyfer amseroedd gweithredu yn ymwneud â Phrisiau 1 a Phrisiau 2 (o 6am i hanner nos a hanner nos i 6am yn y drefn honno, i'w diwygio i 7am i 7pm a 7pm i 7am yn y drefn honno).

Esboniwyd yn dilyn cadarnhad y Cabinet, ac os na dderbynnir unrhyw wrthwynebiad yn dilyn hysbyseb yn y wasg am gyfnod o 14 diwrnod, y bydd y pris cludiant yn dod i rym ar unwaith. Os derbynnir unrhyw wrthwynebiadau yna bydd y Cabinet yn derbyn adroddiad pellach i ystyried y rhain ac i gymeradwyo'r prisiau cludiant gydag addasiadau neu beidio, ac ar ba ddyddiad y dylai hyn ddod i rym.

Yn dilyn ystyriaeth a thrafodaeth, cynigiwyd ac eiliwyd bod yr argymhellion yn yr adroddiad yn cael eu cymeradwyo. Cytunwyd ar hyn yn unfrydol drwy godi dwylo.

PENDERFYNWYD, am y rhesymau a gynhwysir yn Adroddiad y Swyddog:-

- (i) Cymeradwyo Cynnig 4 mewn perthynas â chynnydd i'r prisiau teithiau cludiant cerbyd hacni fel y'i gosodir yn yr adroddiad ac Atodiad F, i alluogi'r cynnig i gael ei hysbysebu yn y wasg am gyfnod o 14 diwrnod;
- (ii) nodir y bydd y pris cludiant yn dod i rym ar unwaith ar ôl y cyfnod ymgynghori os na dderbynnir unrhyw wrthwynebiadau. Os derbynnir unrhyw wrthwynebiadau yna bydd y Cabinet yn derbyn adroddiad pellach i ystyried y rhain ac i gymeradwyo'r prisiau cludiant gydag addasiadau neu beidio, ac ar ba ddyddiad y dylai hyn ddod i rym.

6. CYNLLUNIAU BENTHYCIADAU GWELLA CARTREFI CENEDLAETHOL DIWYGIEDIG A NEWIDIADAU CYSYLLTIEDIG I'R POLISI ADNEWYDDU TAI'R SECTOR PREIFAT

Datganodd y Cynghorwyr S. Morgan, D. V. Poole, Mrs E. Stenner a M. S. Williams (Cyfarwyddwr Corfforaethol Dros Dro – Cymunedau) ddiddordeb personol mewn perthynas â'r eitem hon ar ddechrau'r cyfarfod. Gan fod y diddordebau'n bersonol, nid oedd yn ofynnol i'r Aelodau a'r Cyfarwyddwr adael yr ystafell a gallant gymryd rhan yn y ddadl.

Yn y lle cyntaf, cyfeiriwyd y Cabinet at wall teipograffyddol ym mharagraff 4.7. yn yr adroddiad a ddylai ddarllen *grant cyfalaf Llywodraeth Cymru (LIC)*, na ellir ei ad-dalu, y gellir ei ailgylchu a ddarparwyd ar gyfer y Cynlluniau Troi Tai'n Gartrefi, a'i weithredu'n rhanbarthol.

Rhoddodd yr adroddiad wybod i'r Cabinet am y newidiadau a gyflwynwyd gan Lywodraeth Cymru (LIC) mewn perthynas â'r Cynlluniau canlynol a gofynnodd am gymeradwyaeth i wneud y newidiadau arfaethedig i Bolisi Adnewyddu Tai Sector Preifat yr Awdurdod:

- (i) y Cynlluniau Troi Tai'n Gartrefi a Benthyciadau Gwella Cartrefi;
- (ii) cyllido Cyllidebau Cyfalaf ar gyfer Benthyciadau Gwella Cartrefi a Chynllun Troi Tai'n Gartrefi;

- (iii) Benthyciadau ar gyfer perchen-feddianwyr a landlordiaid, gan gynnwys cynnig i gynnig Benthyciadau am oes i helpu'r perchnogion tai hynny sydd fwyaf mewn angen.

Esboniwyd bod LIC wedi cyflwyno diwygiadau i'r cynlluniau Troi Tai'n Gartrefi a Benthyciadau Gwella Cartrefi yn Chwefror 2018 a fydd yn effeithio ar drefniadau Benthyciadau a gynigir gan Gyngor Bwrdeistref Sirol Caerffili ar hyn o bryd. Mae'r adroddiad yn amlinellu sut y mae'n ofynnol i'r Cynllun Benthyciadau Gwella Cartrefi Cenedlaethol diwygiedig weithredu. Ar y pryd cyflwynodd LIC hefyd newidiadau i'r trefniadau ariannu cyfalaf ar gyfer Awdurdodau Lleol sy'n cynnig Benthyciadau Troi Tai'n Gartrefi a Gwella Cartrefi. Derbyniwyd y newidiadau hyn, mewn egwyddor, gan yr Aelod Cabinet dros Gartrefi a Lleoedd a Phennaeth Cyllid Corfforaethol Dros Dro, er mwyn galluogi'r Cyngor i dderbyn dyfarniad cyllid o fewn yr amserlen benodol.

Nododd y Cabinet fod dwy ffynhonnell ariannu cyfalaf ar wahân yn wreiddiol. I ddechrau, darparwyd grant cyfalaf LIC y gellir ei ailgylchu, na ellir ei ad-dalu, ar gyfer y Cynllun Troi Tai'n Gartrefi, a weithredwyd yn rhanbarthol. Yn ogystal, darparodd LIC ffynhonnell arian cyfalaf ar ffurf Benthyciad ad-daladwy tymor hir di-lôg i Awdurdodau Lleol, i ariannu benthyciadau i berchnogion tai a landlordiaid ac i ddychwelyd eiddo gwag yn ôl i'w defnyddio. Bydd y ddwy ffynhonnell gyllid bellach yn cael eu cyfuno i ffurfio un pot i'r Awdurdod ei ddefnyddio ar gyfer Benthyciadau ad-daladwy yn ôl yr angen a'r galw lleol. Fodd bynnag, rhaid i'r Awdurdod sicrhau bod digon o arian ar gael i'w ddyrannu i fenthyciadau mewn perthynas ag Eiddo Gwag i sicrhau bod targed sector Cymru gyfan o 5,000 o gartrefi a ddygir yn ôl i ddefnydd yn cael ei gyflawni.

Yn ogystal â gofyn am newidiadau i weinyddu benthyciadau presennol sydd ar gael i berchen-feddianwyr a landlordiaid, fel amod o dderbyn y dyfarniad diwygiedig am gymorth benthyciad, mae LIC yn mynnu bod yr Awdurdod Lleol hefyd yn darparu cymorth ariannol ad-daladwy i berchen-feddianwyr incwm isel, sy'n methu â chyrraedd meini prawf fforddiadwyedd Benthyciadau Gwella Cartrefi ac nad ydynt yn gymwys ar gyfer grantiau eraill sydd ar gael. Bydd y 'benthyciadau gydol oes' hyn ar gael i gael gwared ar beryglon yn y cartref ac i wneud y cartrefi'n 'saff, cynnes a diogel'. Mae cymorth o'r fath i'w ddarparu yn ôl disgrisiwn yr Awdurdod Lleol ac mae'n ofynnol ei gynnig yn ychwanegol at gynhyrchion cymorth ariannol sydd eisoes yn bodoli. Hysbyswyd y Cabinet y dylai hyn fod ar gael i'r cyhoedd ers 30ain Mehefin 2018 ond mae LIC yn ymwybodol o'r llinell amser i'w hystyried gan yr Aelodau. Gan fod y newidiadau i fenthyciadau presennol a chyflwyno Cymorth Ariannol Ad-daladwy Perchen-feddianwyr yn rhagnodol yn eu fformat, gofynnwyd i'r Aelodau ystyried p'un a ddylid cytuno i wneud y cynhyrchion ariannol diwygiedig ar gael fel rhan o Bolisi Adnewyddu Tai'r Sector Preifat ai peidio.

Trafododd y Cabinet y cynigion gan ystyried hyn fel 'stori newyddion da' a fydd yn darparu tai i fwy o bobl yn y tymor hir. Cadarnhawyd, er mwyn sicrhau y defnydd mwyaf o'r cynhyrchion benthyg, ac i gydymffurfio â chanllawiau LIC, y bydd argaeledd ystod y cynhyrchion benthyg yn cael ei hyrwyddo mewn amrywiol gyhoeddiadau lleol, ar wefan y Cyngor a thrwy gyfryngau cymdeithasol.

Yn dilyn ystyriaeth a thrafodaeth, cynigiwyd ac eiliwyd bod yr argymhellion yn yr adroddiad yn cael eu cymeradwyo. Cytunwyd ar hyn yn unfrydol drwy godi dwylo.

PENDERFYNWYD yn amodol ar welliant i baragraff 10.1. i gynnwys penderfyniad mewn egwyddor yr Aelod Cabinet dros Gartrefi a Lleoedd mewn perthynas â'r trefniadau diwygiedig ar gyfer y benthyciadau Troi Tai'n Gartrefi a Gwella Cartrefi fel y manylir ym mharagraff 4, ac argymhelliad ychwanegol ym mharagraff 10.4. i gynnwys y newidiadau a gyflwynwyd gan LIC ar gyfer y tri dewis benthyciad amrywiol i'w nodi a'u cadarnhau a bod hyn yn cael ei adlewyrchu trwy ddiwygio Strategaeth Adnewyddu Tai'r Sector Preifat, ac am y rhesymau a gynhwysir yn Adroddiad y Swyddogion: -

- (i) cymeradwyo nodi cynnwys yr adroddiad yn ymwneud â newidiadau a gyflwynwyd gan LIC mewn perthynas â chyllido Cymorth Benthyciad, a bod penderfyniad mewn egwyddor yr Aelod Cabinet dros Gartrefi a Lleoedd mewn perthynas â'r trefniadau diwygiedig ar gyfer y benthyciadau Troi Tai'n Gartrefi a Gwella Cartrefi fel y'i manylir ym mharagraff 4;
- (ii) y dylid cytuno ar gyflwyno cynnyrch Cymorth Ariannol Ad-daladwy i Berchenfeddianwyr i'w weithredu yn y modd a amlinellir ym mharagraffau 4.16 a 4.17 a bod y paragraffau hyn ynghlwm wrth Bolisi Adnewyddu Tai'r Sector Preifat;
- (iii) cytuno ar y newidiadau arfaethedig i'r cynhyrchion Benthyciadau Perchenfeddianwyr a Landlordiaid presennol a amlinellir ym mharagraffau 4.14 a 4.15 a bod y paragraffau hyn ynghlwm wrth Bolisi Adnewyddu Tai'r Sector Preifat;
- (iv) dylid nodi'r newidiadau a gyflwynwyd gan LIC ar gyfer y tri opsiwn benthyciad amrywiol a'u cadarnhau a bod hyn yn cael ei adlewyrchu trwy newid y Strategaeth Adnewyddu Tai'r Sector Preifat.

7. DYRANIAD ARIAN ARFAETHEDIG AR GYFER PRENTISIAETHAU AR DRAWS GWASANAETHAU'R CYNGOR

Ceisiodd yr Adroddiad gymeradwyaeth y Cabinet ar gyfer dyraniad cyllid ar gyfer Prentisiaethau ar draws y Cyngor ynghyd â phroses ffurfiol ar gyfer ystyried ceisiadau am brentisiaethau o feysydd gwasanaeth ar draws Gwasanaethau'r Cyngor.

Eglurwyd bod cyllideb refeniw o £485 mil wedi'i sefydlu ym mis Ebrill 2011 er mwyn ariannu Prentisiaethau. O ganlyniad i ofynion arbedion parhaus yn deillio o'r Cynllun Ariannol Tymor Canolig (CATC), gostyngwyd y gyllideb hon i £150 mil yn 2015/16 a'i symud yn gyfan gwbl o 2016/17. Cafodd tanwariant ar y gyllideb refeniw ei neilltuo i gronfa wrth gefn y gellir ei defnyddio ac, ar 31ain Mawrth 2018, y balans anymrwymedig ar y gronfa wrth gefn yw £530 mil. Mae angen rhoi ystyriaeth bellach i ryddhau'r gronfa wrth gefn ar gyfer rhaglen brentisiaeth newydd er mwyn cefnogi blaenoriaethau cyflogaeth, adfywio, sgiliau a phrentisiaethau Llywodraeth Cymru, y Cyngor (a Phrifddinas-Rhanbarth Caerdydd ehangach (PRhC)) a chynorthwyo gwasanaethau amrywiol ar draws yr Awdurdod gyda materion cynllunio'r gweithlu.

Dywedwyd wrth y Cabinet fod y Tîm Rheoli Corfforaethol wedi bod yn archwilio'r proffil oedran ar draws yr Awdurdod yn ddiweddar ac mae tuedd cyffredinol yn y data tuag at staff 50+ oed. Yn y cyd-destun hwn, gall polisiâu ailfodelu'r gweithlu a hyblygrwyd y gweithlu gynorthwyo i ostwng y sefydliad lle mae ei angen ond mae angen sicrhau cydbwysedd sy'n caniatáu i dalent gael mynediad i mewn i'r sefydliad hefyd. Mae hyn yn bwysicach mewn rhai gwasanaethau nag eraill oherwydd gwahanol faterion cynllunio'r gweithlu.

Cynigiwyd pe bai maes gwasanaeth yn dymuno recriwtio prentis, rhaid cwblhau achos busnes a'i gyflwyno i'r Panel Prentisiaethau, a fyddai'n cynnwys y Cyfarwyddwr Corfforaethol Cymunedau, Pennaeth y Gwasanaethau Pobl a'r Pennaeth Cyllid Corfforaethol. Bydd y Panel yn ystyried y ceisiadau ac yn gwneud argymhellion i'r Prif Weithredwr. At hynny, bydd adroddiad cynnydd rheolaidd yn cael ei ddarparu i'r Pwyllgor Craffu Polisi ac Adnoddau er gwybodaeth am ymgysylltu â phrentisiaid.

Mae'r swm sydd ar gael ar hyn o bryd yn y gronfa wrth gefn yn £530 mil a gallai hyn naill ai gefnogi 23 o brentisiaethau am gyfnod o flwyddyn neu 11.5 o brentisiaethau am gyfnod o 2 flynedd (sy'n nodweddiadol o gyfnod prentisiaeth). Pwysleisiwyd bod nifer o drynewidiadau eraill yn dibynnu ar gyfnodau prentisiaeth perthnasol, gofynion gwasanaeth penodol a/neu a allai'r maes gwasanaeth wneud unrhyw gyfraniad ariannol tuag at gostau cyflog. Bydd gallu gwasanaeth unigol i gyfrannu arian i'r cynllun prentisiaeth yn rhan annatod o'r achos busnes sydd i'w gwblhau. Byddai disgwyl hefyd y byddai gwasanaethau unigol yn ariannu'r costau

hyfforddi neu'n chwilio am nawdd allanol i gefnogi costau hyfforddiant. Yn ogystal, byddai'n rhaid i'r Cyngor ystyried yn ddifrifol pa gyfleoedd cyflogaeth a allai fod ar gael ar gyfer y Prentisiaid hyn ar ddiwedd y cyfnod hyfforddi, fel arall ni fyddai'n gweld unrhyw fantais.

Trafododd y Cabinet y manteision y bydd y cynllun prentisiaeth arfaethedig yn eu cynnig i ymgeiswyr gwaith wrth gaffael y sgiliau sy'n berthnasol i gyflogaeth hirdymor benodol. Yn ogystal, bydd y rhagolygon o fewn yr Awdurdod Lleol yn rhoi cyfraniadau penodol i ffyniant, cydraddoldeb, adfywio cymunedol a chymdeithasol byd-eang, o ran Deddf Llesiant Cenedlaethau'r Dyfodol (Cymru) 2015. Mynegodd yr Aelodau bwysigrwydd ystyried sgiliau ar gyfer y dyfodol ac nid yn y tymor byr yn unig ac y dylai'r prentisiaethau ddarparu canlyniadau ystyrion yn y tymor hir.

Yn dilyn ystyriaeth a thrafodaeth, cynigiwyd ac eiliwyd bod yr argymhellion yn yr adroddiad yn cael eu cymeradwyo. Cytunwyd ar hyn yn unfrydol drwy godi dwylo.

PENDERFYNWYD yn amodol ar welliant ym mharagraff 10.2. i gynnwys yr *Aelod Cabinet dros Wasanaethau Corfforaethol* ac am y rhesymau a gynhwysir yn Adroddiad y Swyddog: -

- (i) cytuno i ddefnyddio'r swm unwaith ac am byth anymrwymedig o £530 mil sydd wedi'i neilltuo ar hyn o bryd yn y Cronfeydd Wrth Gefn i ariannu prentisiaethau;
- (ii) cymeradwyo sefydlu Panel Prentisiaeth sy'n cynnwys y Cyfarwyddwr Corfforaethol Dros Dro - Cymunedau, Pennaeth Gwasanaethau Pobl, Pennaeth Cyllid Corfforaethol a'r Aelod Cabinet dros Wasanaethau Corfforaethol, a fydd yn ystyried ceisiadau Prentisiaeth yn unol â'r broses a amlinellir ym mharagraff 4.9.
- (iii) cyflwynir adroddiad pellach i'r Cabinet maes o law a fydd yn nodi rhaglen ddatblygu'r gweithlu arfaethedig gan gynnwys unrhyw fentrau a fydd yn sicrhau bod gweithlu'r Cyngor yn gynaliadwy yn y tymor hwy.

8. DAD-DROSEDDU PARCIO (CAM 2)

Atgoffwyd y Cabinet o'r adroddiad blaenorol a ddaeth i law ar 28ain Chwefror 2018, lle mabwysiadodd yr Aelodau fodel gweithredu ar gyfer Gorfodaeth Parcio Sifil (GPS) lle cynhelir gorfodaeth ar y stryd yn fewnol ac i gydweithio ag awdurdodau lleol arall (neu eraill) ar gyfer prosesu a gweinyddu rhybuddion yn y swyddfa gefn. Roedd y penderfyniad hefyd yn cynnwys cyfarwyddyd i ymgymryd â'r adolygiad o'r Gorchymyn Rheoleiddio Traffig sy'n angenrheidiol i baratoi'r cais i Lywodraeth Cymru i sicrhau'r pwerau GPS. Ymgymeryd â nifer o adroddiadau Arbenigol ers y tro hwn, a bydd canlyniadau'r rhain yn cael eu cyfuno a'u llunio mewn adroddiad pellach a fydd hefyd yn ystyried materion rhyngwyneb o fewn y ddau i bedwar mis nesaf. Bydd Cytundeb Lefel Gwasanaeth hefyd yn cael ei gytuno gydag Awdurdod Lleol Rhondda Cynon Tâf. Mae swyddogion wedi drafftio eu cais i'w gyflwyno i Lywodraeth Cymru i gael pwerau ar gyfer Parcio Sifil.

Y dyddiad 'Mynd yn fyw' a gynlluniwyd ar hyn o bryd ar gyfer GPS yw Ebrill 2019 ac mae Swyddogion ar darged i gyflawni hyn. Roedd yr adroddiad yn nodi'r cynigion a'r argymhellion y dylid eu cymryd i weithredu'r penderfyniad a'r materion y mae angen eu hystyried ymhellach a fydd yn cynorthwyo i gyflawni'r dyddiad gweithredu hwn. Amlinellodd y swyddogion y camau gweithredu a gynlluniwyd a'r cynnydd a wnaed o ran paratodau GPS, a nodwyd bod y cynigion a'r materion wedi cael eu cyflwyno i Seminar Aelodau ar 6ed Mehefin 2018, lle'r oedd tua hanner yr Aelodau'n bresennol i ystyried y cynigion. Ystyriwyd yr adroddiad hefyd gan Bwyllgor Craffu Adfywio a'r Amgylchedd yn ei gyfarfod ar 26ain Mehefin 2018. Codwyd dau bwynt allweddol yn y Seminar, yn benodol y pryderon am 'gydbwysedd gorfodaeth' a rhoddodd Swyddogion sicrwydd y byddai digon o adnoddau ar gael. Yr ail bwynt oedd tynnu Heddlu Gwent yn ôl o'r gwasanaeth hwn cyn y dyddiad gweithredu. Tawelwyd meddwl y

Cabinet yn ei dro bod Swyddogion wedi siarad gyda'r Heddlu ac wedi derbyn sicrwydd bod yr Heddlu yn barod i fod yn hyblyg ac y byddant yn cynnig trawsnewid esmwyth ar gyfer y cyfnod lonawr i Ebrill 2019. Cefnogodd y Pwyllgor Craffu'r argymhellion fel y'u nodwyd yn yr adroddiad.

Yn dilyn ystyriaeth a thrafodaeth, cynigiwyd ac eiliwyd bod yr argymhellion yn yr adroddiad yn cael eu cymeradwyo. Cytunwyd ar hyn yn unfrydol drwy godi dwylo.

PENDERFYNWYD yn amodol ar welliant i baragraff 1.11. (x) i gynnwys *ac fel eilydd, Aelod Cabinet dros Amgylchedd a Diogelwch y Cyhoedd* ac argymhelliad ychwanegol ym mharagraff 1.11. (xi) i gynnwys *y penderfyniadau a'r dirprwyo awdurdod ffurfiol fel y'u nodir yn Adran 5 yr adroddiad sy'n ofynnol er mwyn symud ymlaen â'r camau gweithredu angenrheidiol er mwyn gweithredu, gan gynnwys cais am bwerau GPS i Lywodraeth Cymru ac yn amodol ar ddiwygiad i baragraff 1.12 i'w gynnwys. Adroddiad wedyn i'w gyflwyno i'r Cyngor llawn* ac am y rhesymau a gynhwysir yn Adroddiad y Swyddog: -

- (i) CBSC yn dod i gytundeb ffurfiol gyda CBSRhCT er mwyn iddynt reoli'r swyddfa gefn ar ran CBSC;
- (ii) am gysondeb, trosglwyddo'r cyfrifoldeb hwnnw dros orfodi holl feysydd parcio Cefn Gwlad a Thwristiaeth i'r Tîm Gorfodaeth Sifil;
- (iii) bod yr holl gynlluniau parcio trwyddedau preswyl presennol o fewn y fwrdeistref yn cael eu cyfuno (fel rhan o orchymyn cyfuno GRhT) i'w dwyn yn unol â'r polisi a sicrhau cysondeb ar draws y Fwrdeistref;
- (iv) datblygu protocolau a/neu systemau cysylltiadau cwsmeriaid newydd trwy'r Tîm Gwasanaethau Cwsmeriaid;
- (v) caffael unrhyw system parcio heb arian o bell ac ar wahân i ddarparwr gwasanaeth TG Gorfodi Parcio Sifil (GPS);
- (vi) bod rôl y Prif Swyddog Gweithredol yn cael ei weithredu i ddechrau o dan GPS i osgoi unrhyw oedi i'w weithredu. Ar yr un pryd, bydd gwaith ar gyfuno'r rôl gyda Swyddogion Cymorth Cymunedol (SCC) yn cael ei ddatblygu a'i weithredu cyn gynted ag y bo modd, os yw'n ymarferol;
- (vii) bod unrhyw weddill ariannol o'r gweithrediad yn cael eu neilltuo i weithgareddau GPS a darpariaethau yn unol â'r gofynion a nodir yn Adran 55 (fel y'i diwygiwyd) o Ddeddf Rheoleiddio Traffig Ffyrdd 1984;
- (viii) dylid ceisio'r argymhellion a'r dirprwyo awdurdod fel y'u nodir yn Adran 5.1 o'r adroddiad i hwyluso'r cais GPS i LIC a'i gweithrediad ar ôl hynny;
- (ix) ariannir y costau ychwanegol o £431 mil ar gyfer adolygiad y GRhT a chostau sefydlu GPS o gronfeydd wrth gefn Ffordd Fenter Sirhywi (FfFS) a'r Gyfadran Cymunedau (hynny yw, £291 mil o gronfa FfFS a £140 mil o gronfa wrth gefn y Gyfadran Cymunedau);
- (x) cymeradwyo ac enwebu i'r Cyngor y dylai'r Dirprwy Arweinydd a'r Aelod Cabinet dros Economi, Isadeiledd, Cynladwyedd a Llesiant Cenedlaethau'r Dyfodol, ac yn eilydd Aelod Cabinet dros Amgylchedd a Diogelwch y Cyhoedd fod yn Gynrychiolwyr a benodir i sefyll ar Gyd-bwyllgor Lloegr a Chymru ar gyfer Gorfodaeth Sifil Parcio a Rholiadau Trafnidiaeth y tu allan i Lundain, sy'n goruchwyllo'r gwasanaeth dyfarnu a elwir yn Dribiwnlys Cosbau Traffig (TCT) a bod cynrychiolydd fel eilydd hefyd wedi'i enwebu a'i benodi;

- (xi) y dylid cefnogi'r penderfyniadau a'r dirprwyo awdurdod ffurfiol fel y'u nodir yn Adran 5 yr adroddiad sydd eu hangen er mwyn symud ymlaen â'r camau angenrheidiol i weithredu, gan gynnwys cais am bwerau GPS i Lywodraeth Cymru;
- (xii) mae angen ystyried ymhellach y rhyngwyneb rhwng Diogelwch Cymunedol, GPS a'r rolau staff canlyniadol, a chyflwyno adroddiad pellach i'r Cabinet maes o law mewn cysylltiad â'r materion hyn ac wedi hynny'r Cyngor llawn.

9. STRATEGAETH DDRAFFT RHEOLI ASED AU CARTREFI CAERFFILI

Datganodd y Cyngorwyr N. George a B. A. Jones ddiddordeb personol mewn perthynas â'r eitem hon ar ddechrau'r cyfarfod. Gan fod y diddordeb yn bersonol, nid oedd yn ofynnol i'r Aelodau adael yr ystafell a gallant gymryd rhan yn y ddadl.

Roedd yr adroddiad yn amlinellu'r strategaeth asedau arfaethedig ar gyfer Cartrefi Caerffili yn dilyn cyflawniad disgwylidig Safon Ansawdd Tai Cymru yn 2020. Bydd hyn yn sicrhau bod y safon yn cael ei chynnal wedi hynny ac y bydd portffolio Tai'r Cyngor yn parhau i ddarparu cartrefi o ansawdd fforddiadwy sy'n bodloni anghenion cwsmeriaid. Mae'r strategaeth yn berthnasol i'r holl stoc tai sy'n eiddo i'r cyngor a ariennir gan y Cyfrif Refeniw Tai, a thai cyngor newydd. Roedd yr adroddiad yn ceisio cymeradwyaeth y Cabinet i fynd ymlaen â'r ymgynghoriad tenantiaid ehangach ar y cynigion. Yna bydd adroddiad pellach yn cael ei gyflwyno yn y Cabinet a fydd yn cynnwys canlyniad yr ymgynghoriad i'w ystyried/cymeradwyo'n derfynol.

O ran cyflwyno'r strategaeth hon cyfeiriwyd y Cabinet at baragraff 4.6. yn yr adroddiad sy'n nodi'r materion allweddol a nodwyd. Eglurwyd bod cronfa ddata rheoli asedau newydd yn cael ei chaffael o'r enw Keystone mewn perthynas â Rheoli Asedau ac i gynorthwyo gyda chyflwyno'r rhaglen SATC. Mae'r system hon yn helpu i reoli cynnal a gwella'r stoc dai trwy gadw cofnod o'r portffolio. Mae hefyd yn nodi'r buddsoddiad sy'n ofynnol ar gyfer pob eiddo a'r ymrwymadau ariannol sydd eu hangen i gyflawni'r safon ofynnol, h.y. SATC ac i gefnogi'r gwaith cynnal a chadw parhaus o'r safon ar ôl 2020. Er y gall y gronfa ddata rheoli asedau ddarparu gwybodaeth ar lefel eiddo unigol, mae angen cytuno ar gynllun cyflawni i sicrhau y darperir unrhyw raglenni cynnal a chadw a gynllunir yn y dyfodol mor economaidd ac effeithlon â phosibl. Rhoddwyd eglurhad ynglŷn â chofnodi cwynion a chadarnhawyd na fyddai'r gronfa ddata yn cofnodi'r wybodaeth hon a bod unrhyw gwynion yn cael eu cofnodi a'u prosesu ar hyn o bryd drwy'r Weithdrefn Gwyno Gorfforaethol.

Mae angen ystyried darpariaeth tai Cyngor newydd hefyd a'i gynnwys yn y cynllun cyflawni. Nododd y Cabinet bod angen adolygu'r strategaeth gaffael bresennol i sicrhau bod yr ymagwedd a gymerir nid yn unig yn cefnogi'r cynllun cyflawni mor effeithiol ac effeithlon â phosibl, ond hefyd yn sicrhau gwerth am arian ac yn sicrhau bod y gymuned yn manteisio i'r eithaf o'r buddsoddiad. O ran safonau/ansawdd pwysleisiwyd bod dealltwriaeth y Cyngor o'r portffolio asedau a'r anghenion cwsmeriaid yn allweddol i gyflawni'r strategaeth hon yn llwyddiannus. Mae cynnal yr eiddo presennol i SATC yn un agwedd, ond bydd safonau cyfreithiol a rheoleiddiol eraill i gydymffurfio â hwy. Yn ogystal, bydd angen arloesi a chynnaladwyedd i sicrhau bod tai presennol a newydd yn parhau i fod yn fforddiadwy ac yn diwallu anghenion cwsmeriaid. Bydd Siarter Ymddiried y tenantiaid yn parhau i dderbyn cefnogaeth i sicrhau bod lefelau gwasanaeth boddhaol yn cael eu darparu i bob tenant. Dywedwyd wrth y Cabinet y bydd angen i gynllun busnes hyfyw ariannol ategu'r strategaeth gytunedig sy'n nodi'n glir y gofynion incwm/benthyca i fodloni'r buddsoddiad a nodwyd yn y cynllun cyflawni.

Darparwyd trosolwg o'r Rhaglen Cynnal a Chadw Asedau sy'n cynnwys ailfodelu Cynlluniau Tai Lloches, Tai Hygyrch a Thai Newydd y Cyngor. Cadarnhawyd y bydd adroddiadau pellach yn cael eu cyflwyno i'r Cabinet yn dilyn arolygon, a chynhaliwyd proses Ymgynghori.

Gofynnodd y Cabinet, wrth ystyried ailfodelu'r Cynlluniau Tai Lloches, y dylai Swyddogion gael trafodaethau manwl gyda'r Adran Gwasanaethau Cymdeithasol ynglŷn â gofynion. Rhoddwyd pwyslais ar anghenion tenantiaid i'w hystyried yn ystod y pump i ddeng mlynedd nesaf ac nid ar gyfer y dyfodol agos yn unig.

Yn dilyn ystyriaeth a thrafodaeth, cynigiwyd ac eiliwyd bod yr argymhellion yn yr adroddiad yn cael eu cymeradwyo. Cytunwyd ar hyn yn unfrydol drwy godi dwylo.

PENDERFYNWYD yn amodol ar welliant ym mharagraff 16.1. (c) i ddarllen 13.2. ac nid 12.2. ac am y rhesymau a gynhwysir yn Adroddiad y Swyddog, cytuno ar yr egwyddorion canlynol: -

- (i) sefydlu Strategaeth Rheoli Asedau 5 mlynedd fel y nodir yn yr adroddiad;
- (ii) cytuno mewn egwyddor i'r cynllun cyflawni arfaethedig fel y nodir ym mharagraff 6 yn yr adroddiad;
- (iii) cytuno ar y rhagdybiaethau sydd wedi'u cynnwys yn y Cynllun Busnes sy'n amlinellu'r ffiniau fforddiadwyedd ac wedi'u nodi yn Atodiad 1 a pharagraff 13.2, wrth nodi y gallai'r rhain fod yn destun newid a allai arwain at gyflwyno adroddiadau pellach;
- (iv) adroddiadau manwl ar wahân i'w cyflwyno mewn perthynas ag ailfodelu'r Cynlluniau Tai Lloches a thai newydd y Cyngor;
- (v) rhaid cyflwyno adroddiad pellach yn dilyn ymgynghoriad tenantiaid ehangach.

Terfynwyd y cyfarfod am 2.55 pm.

Cymeradwywyd a llofnodwyd eu bod yn gofnod cywir yn amodol ar unrhyw gywiriadau a wnaed yn y cyfarfod a gynhelir ar 12fed Medi 2018.

CADEIRYDD



SPECIAL CABINET – 12TH SEPTEMBER 2018

SUBJECT: CAERPHILLY HOMES ASSET MANAGEMENT STRATEGY

REPORT BY: CORPORATE DIRECTOR FOR EDUCATION AND CORPORATE SERVICES

-
- 1.1 The attached report is due to be presented to the Policy and Resources Scrutiny Committee on 6th September 2018.
 - 1.2 The views expressed at the meeting and the recommendations of the Scrutiny Committee will be reported verbally to Cabinet for consideration.

Author: A. Dredge, Committee Services Officer, Ext. 3100

Appendices:

Appendix A Report to the Policy and Resources Scrutiny Committee on 6th September 2018 – Agenda Item 10

Gadewir y dudalen hon yn wag yn fwriadol



**POLICY AND RESOURCES SCRUTINY COMMITTEE –
6TH SEPTEMBER 2018**

SUBJECT: CAERPHILLY HOMES ASSET MANAGEMENT STRATEGY

**REPORT BY: CORPORATE DIRECTOR FOR EDUCATION AND CORPORATE
SERVICES**

-
- 1.1 The attached report will be presented to the Caerphilly Homes Task Group on 4th September 2018.
 - 1.2 The views expressed at the meeting and the recommendations of the Caerphilly Homes Task Group will be reported verbally to the Policy and Resources Scrutiny Committee.
 - 1.3 Members are asked to consider the contents of the report and make a recommendation to Cabinet.

Author: R. Barrett, Committee Services Officer, Ext. 4245

Appendices:

Appendix Report to Caerphilly Homes Task Group on 4th September 2018 - Agenda Item 7

Gadewir y dudalen hon yn wag yn fwriadol



CAERPHILLY HOMES TASK GROUP – 4TH SEPTEMBER 2018

SUBJECT: CAERPHILLY HOMES ASSET MANAGEMENT STRATEGY

REPORT BY: CORPORATE DIRECTOR FOR SOCIAL SERVICES AND HOUSING

1. PURPOSE OF REPORT

- 1.1 To outline the proposed asset management strategy for Caerphilly Homes housing stock, following the anticipated achievement of the Welsh Housing Quality Standard in 2020, prior to its consideration by the Policy and Resources Scrutiny Committee and thereafter Cabinet. To ensure the standard is maintained thereafter and the Council's housing portfolio continues to provide affordable, quality homes that meet customers' needs.
- 1.2 The proposed strategy applies to all Caerphilly Homes housing stock which is funded by the Housing Revenue Account, as well as new council housing which may be acquired in the future.

2. SUMMARY

- 2.1 Following a ballot of all council tenants in 2012, which resulted in CCBC retaining its housing stock, Caerphilly Homes embarked on a major investment programme to bring all its social housing up to the WHQS by 2020.
- 2.2 As we are now nearing the end of this programme, this report sets out a proposed strategy which is required to determine how the standard will continue to be maintained post 2020 and how Caerphilly Homes will continue to provide existing and new homes which contribute towards meeting demand and the specific needs of our tenants for the future.
- 2.3 The strategy can be further developed to include other housing related assets including shops, garages and land, to ensure they remain fit for purpose, meet changing demands and that their value/benefit is maximised.

3. LINKS TO STRATEGY

- 3.1 The delivery of the Welsh Housing Quality Standard (WHQS) programme is coterminous with the aims of the Wellbeing of Future Generations (Wales) Act 2015 which requires public bodies to work towards a shared vision comprising 7 goals and adopt 5 "Ways of Working". The 7 goals and the 5 Ways of Working will underpin the delivery of the programme and include planning and acting for the long term, integration, involvement, collaboration and prevention.
- 3.2 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. It is a Welsh Government requirement that the WHQS is achieved by 2020. The WHQS identifies 7 specific aims (Welsh Assembly) Government – Revised Guidance for Social Landlords – July 2008).

- 3.3 The Council's Corporate Plan 2018 – 2023 and more specifically Wellbeing Objective 3, address the supply, condition and sustainability of homes throughout the county borough and provide advice, assistance or support to help improve people's health and wellbeing.

4. THE REPORT

- 4.1 The long term vision for housing in Wales was set out by the National Assembly for Wales in the National Housing Strategy "Better Homes for People in Wales 2001" which states that:-
"all households in Wales are given the opportunity to live in good quality homes."
- 4.2 To help realise this aim, they published the Welsh Housing Quality Standard (WHQS), which requires all social landlords to improve their housing stock to meet this standard by 2020.
- 4.3 Following a ballot of all council tenants in February 2012, there was a clear vote in favour of the housing stock being retained by the Council.
- 4.4 A major investment programme commenced with the aim of not only improving the existing housing to meet the WHQS, but also to maximise the socio-economic benefits associated with delivering a multi-million pound improvement programme.
- 4.5 As we are now entering the final two years of the programme, the following strategy is being proposed to ensure that the standard, once met, will continue to be maintained, and that existing and new homes will be provided to contribute towards meeting demand and the specific needs of our tenants for the future.

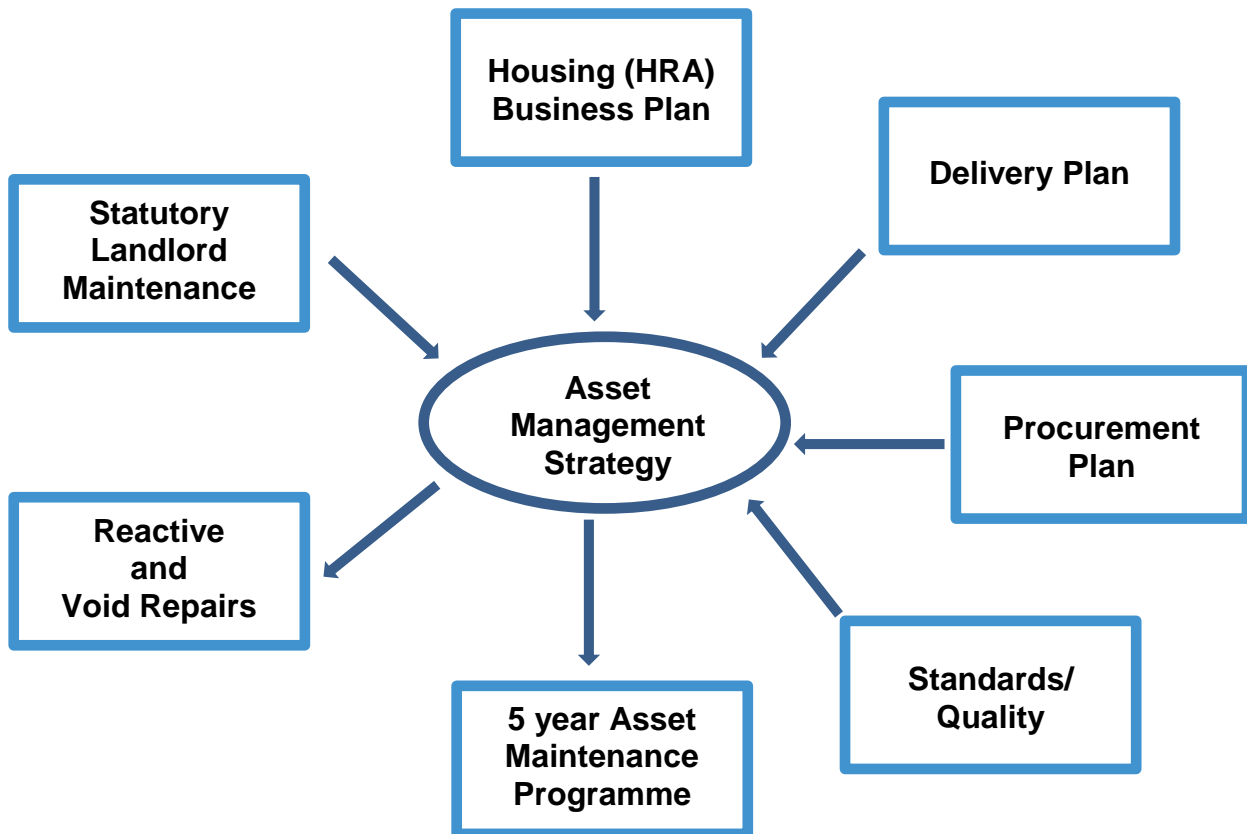
Proposed Strategy

- 4.6 This strategy sets out proposals following the achievement of WHQS by 2020, to ensure the standard is maintained thereafter and the Council's housing portfolio continues to provide affordable, quality homes that meet our customers' needs.
- 4.7 The strategy applies to the asset management of all existing and future council housing which is supported by the Housing Revenue Account.
- 4.8 To deliver this strategy the following key issues have been identified:-
- a) **Asset Management** - To assist with the delivery of the WHQS programme a new asset management database was acquired called Keystone. This system helps to manage the maintenance and improvement of our housing stock by maintaining a record of our portfolio, identifying the investment required for each property and the financial commitments required to achieve the standard, i.e. WHQS and to support the ongoing maintenance of the standard post 2020.
 - b) **Delivery Plan** – whilst the asset management database can provide information at an individual property level, a delivery plan needs to be agreed to ensure that any future planned maintenance programmes are provided as economically and efficiently as possible. The provision of new Council housing also needs to be considered and included within a delivery plan.
 - c) **Procurement** – the existing procurement strategy needs to be reviewed to ensure the approach taken not only supports the delivery plan as effectively and efficiently as possible, but also ensures value for money and maximises community benefits from the investment.
 - d) **Standards/Quality** – understanding our asset portfolio and our customers' needs is key to the successful delivery of this strategy. Maintaining existing properties to the WHQS

is one aspect, but there will be other legal and regulatory standards to comply with. In addition innovation and sustainability will be required to ensure existing and new housing remains affordable and meets our customers' needs. The tenants' Charter for Trust will continue to be supported and reviewed to ensure satisfactory levels of service are being delivered to our tenants.

- e) **Viability** – the agreed strategy will need to be supported by a financially viable business plan that clearly sets out our income/borrowing requirements to meet the identified investment contained within the delivery plan.

Caerphilly Homes Asset Management Strategy



Background

- 4.9 The proposed strategy assumes the successful achievement of WHQS by 2020, accepting, however, that there will be a number of properties that have not met the standard fully and have been classed as “acceptable fails” and a number of other properties which were not made fully compliant due to no access or refusals.
- 4.10 The WHQS is aimed at improving homes, but also meeting tenants' specific needs. As such Caerphilly's tenants were provided with a number of choices and the works were not mandatory, unless there were specific health and safety issues which needed to be addressed.
- 4.11 In this regard, where tenants have failed to provide access or refused to have certain elements of work undertaken to their home, their property was removed from the programme. As tenant/property circumstances are likely to change on an ad-hoc basis, these individual properties will need to be improved to the standard as and when required, e.g. when the property becomes void.

- 4.12 There were also 6 sheltered housing schemes undergoing feasibility studies to establish if they lend themselves to remodelling to make them fit for purpose. Subject to the outcome of these studies, improvement works may not be progressed until post 2020.
- 4.13 For the remainder of the housing stock which meets the WHQ Standard, these need to be maintained in a planned way to ensure the standard is maintained.
- 4.14 Due to housing demand (current 5,000 applicants on the housing register) there is also a requirement to deliver accessible housing for those with specific needs as well as increasing the supply of council housing.

5. ASSET MANAGEMENT

- 5.1 Understanding our asset portfolio and the investment required in order to meet Caerphilly Homes' strategic aims, as well as complying with all legal and statutory standards, is key for the successful management of our stock data and investment needs.
- 5.2 Our Keystone Asset Management system will facilitate the management of our housing stock, by identifying key component replacement needs based on life cycle estimates. This information will be used to inform our delivery plan, ensuring our assets are maintained at optimum levels by actively and efficiently managing our assets that will be used to inform the housing business plan.
- 5.3 In addition, statutory landlord maintenance responsibilities and reactive repairs service will be managed by our Total Mobile Dynamic System. This is an operational system to record and issue reactive repairs and statutory maintenance work using dynamic scheduling technology.
- 5.4 Both systems will need to be kept up to date with any completed work being inputted in an accurate and timely manner, so that information on properties and individual key components is amended to reflect any changes, e.g. life cycle estimates. It is also critical that the systems work in an integrated way to ensure information is shared to support the delivery of an efficient and effective asset maintenance service.

6. DELIVERY PLAN

- 6.1 The asset management delivery plan can be broken down into the following functions:-

Statutory Landlord Maintenance

- 6.2 There is an ongoing requirement to undertake regular safety checks and maintenance works to ensure our statutory responsibilities are complied with in relation to gas/solid fuel servicing, periodic electrical testing, fire safety check, asbestos, lifts, hoists and water hygiene.
- 6.3 This work will be managed by our Housing Repair Operations (HRO) team utilising the in-house workforce and the services of external specialist contractors where required.
- 6.4 Compliance and performance in relation to statutory maintenance is overseen and monitored corporately via regular Statutory Maintenance Board meetings, and also by the corporate "Ramis" system.

Reactive Repairs

- 6.5 Caerphilly Homes carries out approximately 30,000 repairs per annum which are usually reported by tenants or individuals acting on their behalf. The repair service may result in a component being renewed and this will be undertaken to ensure the WHQS standard is maintained.

- 6.6 Where a component may have not been renewed as part of the WHQS programme e.g. tenant refusal, but subsequently fails, then it will be replaced and brought up to the WHQS standard by the HRO team.

Void Properties

- 6.7 As mentioned previously, although the WHQS programme is anticipated to be completed in 2020, a number of properties would not have been brought up to the required standard for a number of reasons, e.g. no access, refusals, timing or cost of the remedy.
- 6.8 When a property becomes void it will be assessed by our surveyor to establish if it is fully WHQS compliant. Any elements failing to meet the standard will be identified and the required work undertaken during the void period.
- 6.9 In addition, the accessibility of a property will also be considered and where practical and economically viable, work will be carried out to improve access in order to meet the increasing demands for such properties.
- 6.10 A certificate will be issued to the new tenant at the time of allocation to provide details of the energy performance of the property and compliance with WHQS.

Asset Maintenance Programme

- 6.11 In order for the housing stock to be maintained to the WHQ Standard an asset maintenance programme needs to be put in place from 2020. The Keystone asset management database will be used to inform any planned programme by providing information on the life cycle of all key internal and external components, based on completion of the main WHQS programme.
- 6.12 In preparation, a validation exercise is currently being undertaken to ensure that each key component within the property has been provided with an estimated date for its replacement, improvement based on guidance issued with the WHQS, manufacturers' advice and physical assessment by our in-house surveyors.
- 6.13 The asset maintenance programme for external works is to be arranged based upon a 5 year repair or replacement cycle. Properties completed in relation to external works during 2015/16, or earlier, will therefore be included in the planned programme for 2020/21; properties completed in 2016/17 will be planned for 2021/22, etc.
- 6.14 The specification of works for each property will be based on timely physical surveys, to take account of changing conditions. However, the surveyors will be assisted with information from our Keystone asset management system, which will identify projected component life cycle replacements based on previous surveys/works. This information will also assist with financial forecasting and inform the housing business plan.
- 6.15 Surveys for the main WHQS programme will reduce from December 2018, which will release surveyors who can then be utilised to undertake asset maintenance surveys to those properties identified for such works in 2020/21. This will enable packages of work to be collated and competitive tenders invited during 2019, utilising our existing Dynamic Purchasing System, based on the specification of work, identified by our surveyors for each property. This will include external redecoration.
- 6.16 In relation to internal works, although the main WHQS internal works programme did not commence until 2014, some properties benefitted from such works in advance of this, i.e. 2010.
- 6.17 The shortest lifespan for the internal elements is kitchens which are anticipated to remain in good condition for 15 years. Based on WG guidance, bathrooms should remain in a satisfactory condition for 25 years, electrical wiring and heating systems 30 years. Therefore

a planned maintenance programme for internal works is not required to commence until 2025, i.e. 2010 plus 15 years.

- 6.18 There will, however, be some exceptions in relation to electrical wiring where a number of properties/streets may have only benefitted from partial rewires. Safety checks will be carried out to these properties every 5 years in compliance with electrical regulations and a separate programme of rewiring will be initiated where required.
- 6.19 Although heating systems are estimated to remain satisfactory for up to 30 years, it is recognised that boilers may fail between 7 to 15 years. Rather than implementing a planned approach to the replacement of boilers, it is considered to be more economical to replace such appliances as and when they fail or become uneconomical to repair. Annual servicing of heating systems will assist in making an informed decision on boiler replacements.
- 6.20 Surveys will be required to commence in 2023/24 to determine the extent of works required in each property based on the condition of each key component. A property schedule will be provided by Keystone based on the contract completion dates which were populated when a property/street was originally upgraded/improved.
- 6.21 The method/extent of internal works would be determined based on the condition of individual components of each property. It is not the intention to replace all key components based purely on age, as condition will be the overriding factor.
- 6.22 In addition to the above any external or internal element which becomes defective or prematurely fails prior to its planned replacement date will be rectified via our response maintenance service or tendered as a specific project. In addition, all components would be assessed to ensure WHQS compliance when a property becomes void.
- 6.23 Subject to a review of the procurement strategy, currently it is intended that packages of work will be collated and competitive tenders obtained via the Dynamic Purchasing System during 2024 to enable works to commence in 2025. This process will continue for each year thereafter based on the properties identified by Keystone which will continue to inform future programmes of work.

Remodelling of Sheltered Housing Schemes

- 6.24 Following the outcome of surveys, combined with the lack of demand for a number of our sheltered housing schemes, questions were raised as to whether six of our schemes were fit for purpose. The majority of these schemes had access issues and contained bedsits.
- 6.25 A separate report will be submitted for Cabinet approval, detailing the outcome of the feasibility studies and the full extent of work proposed.

Accessible Housing

- 6.26 As part of the WHQS programme work, in addition to achieving the standard, work was also undertaken to meet the specific needs of the tenant which includes a variety of adaptations. In order to achieve long term benefits from the adaptations, properties have been categorised based on their level of accessibility.
- 6.26 Following the establishment of the Common Housing Register all attempts will be made to allocate properties to suit the specific needs of potential tenants. The categorisation of properties will therefore assist this process whereby our Occupational Therapist will assess the physical/medical needs of applicants and use this information to match households to suitable properties.
- 6.27 This process will make best use of adaptations already made, thereby reducing the need for new adaptations and avoid the need to remove those that have previously been carried out. This will also speed up the allocations process for those with specific needs.

Energy Improvements (EWI)

- 6.28 In delivering the WHQS programme, property surveys have identified the requirement for works to some of our properties to resolve dampness and in a number of cases this has led to the removal of cavity wall insulation (CWI).
- 6.29 As part of the process in removing CWI, this has resulted in scarring to the existing external render and the loss of insulation aimed at improving living conditions for our tenants.
- 6.30 A separate improvement programme is therefore proposed to be introduced from 2020 with the aim of carrying out energy efficiency works, which would include the installation of external wall insulation to those properties that have previously suffered from damp problems resulting in the removal of cavity wall insulation.
- 6.31 To support the delivery of such a programme, officers would actively source alternative grant funding which would be subsidised by funding from the HRA.
- 6.32 Other energy initiatives will also be pursued to maximise the energy efficiency of our housing stock, thereby reducing carbon emissions and contributing towards addressing fuel poverty. To assist with this, a contract has been awarded to undertake energy surveys to our housing stock to obtain energy performance certificates and establish their overall energy rating. This information will also support our requirement to provide such information to WG in line with their rent policy.

New Council Housing

- 6.33 Both existing and new homes need to be provided to ensure that they meet current and future demand, taking into account government reforms including rent policy, changes to the welfare system, legislative changes, e.g. homelessness, energy efficiency and sustainability.
- 6.34 It is essential that our assets and therefore this asset management strategy, supports Caerphilly Homes objectives for growth and development, as well as supporting the wider health prevention agenda, through the provision of 'houses for life' which embraces the opportunities of digital technological advances. There are a number of ways this can be achieved, including identifying opportunity assets by undertaking a review of land held in housing ownership, e.g. garage sites, open spaces, to identify opportunities to deliver new homes and regenerate towns and communities. This review is currently ongoing and will inform the identification of opportunity assets which will form the basis of a separate report to Cabinet.
- 6.35 Subject to maintaining a financially viable business plan, options for providing new council housing is actively being considered. A separate report has been prepared for consideration by Cabinet to establish support and the likely scale for the delivery of new council housing which will be based on contributing to our Local Housing Market Assessment.

7. PROCUREMENT

- 7.1 The above delivery plan needs to be supported by an efficient and effective procurement strategy, that has the capacity to deliver on all the work-streams, considers quality as well as cost in providing value for money, promotes community benefits and supports the local economy.
- 7.2 Whilst existing arrangements will continue to support the statutory landlord maintenance and reactive repairs service for void properties, a review of the strategy is required to support the proposed new work-streams of the asset maintenance programme, remodelling sheltered schemes, energy improvements and new council housing.

8. STANDARDS/QUALITY

- 8.1 Whilst a number of specific standards for housing are prescribed by Welsh Government, Building Regulations, Codes of Practice, statutory and health and safety regulations, additional standards have been set locally.
- 8.2 As mentioned above, our procurement strategy will continue to include quality as part of our evaluation criteria with the aim of contracting with reliable and reputable companies who deliver good quality work and customer service.
- 8.3 The tenants' Charter for Trust will be reviewed following experiences obtained through the delivery of the WHQS improvement programme, to ensure this remains fit for purpose.
- 8.4 Customer satisfaction surveys will be conducted on a regular basis to obtain feedback from our customers on the services they receive. The feedback will be analysed so we learn from any positive or negative responses.
- 8.5 Performance monitoring will continue through the identification of key performance indicators (KPIs) for each work-stream. Performance outcomes will be reported to the Caerphilly Homes Task Group and Policy and Resources Scrutiny Committee at least on an annual basis.
- 8.6 Health and Safety performance will be monitored corporately by the Statutory Maintenance Board on a quarterly basis.

9. TENANT INVOLVEMENT

- 9.1 Caerphilly Homes is committed to an open and transparent consultation process in the delivery of its services, which includes maintaining and improving tenants' homes.
- 9.2 An extensive consultation exercise was conducted prior to embarking on the delivery of the WHQS programme which may result in over £220m being invested in the housing stock. In order to ensure that the benefits of this investment continue to be realised for the future, it is imperative that we have an agreed asset management strategy in place that ensures our tenants' homes are maintained to satisfactory standards, that homes remain affordable and meet our existing and future tenants' needs.
- 9.3 Tenants will continue to be at the heart of our overall approach to the delivery of high quality housing services. In this respect wider consultation took place with our tenants prior to finalising the proposed strategy and feedback from this has been incorporated into the report.
- 9.4 Following the successful approach adopted for the WHQS programme, it is proposed that tenant involvement in the specification and procurement process, review of the Charter for Trust and in overseeing the delivery of the Asset Management Strategy will continue, in addition to the monitoring of performance and quality of services being delivered

10. VIABILITY

- 10.1 The asset management strategy will be aligned to the Housing Business Plan and approved by Cabinet.
- 10.2 The proposed Delivery Plan must be fully funded and affordable within the Housing Business Plan, which will include any borrowing requirements. Current projections and assumptions incorporated into the plan indicate that this strategy is viable.
- 10.3 In this respect, the maintenance of valid and accurate asset data is essential to inform the integrity of the Business Plan, future expenditure forecasting and remaining lifecycles of stock condition elements and the reconciliation of project completions will be routinely carried out.

- 10.4 Prior to committing to any new projects a full financial appraisal will be undertaken and where required specific reports submitted for relevant approval.

11. WELL-BEING OF FUTURE GENERATIONS

11.1 The delivery of the WHQS improvement programme is coterminous with the aims of the Wellbeing of Future Generations (Wales) act 2015, in particular the 5 ways of working:-

- **Long Term:** the report includes continued investment and performance to achieve WHQS by 2020. This investment provides long term improvements to the property, community and to the tenants' health and well being.
- **Integration:** The programme looks to integrate property and environmental improvements that will benefit and transform lives and communities throughout the county borough. It further brings together a variety of stakeholders to deliver long term sustainable benefits for lives and communities.
- **Involvement:** Tenants and local residents are being consulted on the proposed property improvements and environmental works along with various initiatives that are part of the WHQS programme delivery.
- **Collaboration:** The programme delivery is focused on internal collaboration, wider partnership arrangements with suppliers and contractors, joint working with the community and various other groups. The delivery of community benefits and tenant engagement by all involved with the WHQS programme is a key focus and is clearly demonstrable within its delivery.
- **Prevention:** The works to improve lives and communities will help tackle local unemployment. It will further improve the look and feel of the environment and help prevent anti-social behaviour. Improving standards and quality, will aid future programmed maintenance and potentially reduce reactive maintenance schedules.

12. EQUALITIES IMPLICATIONS

12.1 An EIA screening has been completed in accordance with the Council's strategic Equality Plan and supplementary guidance. No potential for unlawful discrimination and/or low level or minor negative impact has been identified; therefore a full EIA has not been carried out.

13. FINANCIAL IMPLICATIONS

13.1 The HRA borrowing cap is £180m which includes pre-existing historical debt and the debt for the subsidy buy-out. The Business Plan currently allows for some £34m flexibility before the borrowing cap is breached. Members must be advised, however, that the WHQS programme is ongoing and circumstances can change as surveys and work on our existing stock is carried out.

13.2 The maximum borrowing of £34m would be affordable by the HRA, but this is based on the following assumptions which are outside the direct control of officers or members and therefore they could be subject to change.

- MRA allocation from WG anticipated to continue at current levels, e.g. £7.3m.
- General inflation over the five years up to 2025 has been assumed as 2%. This is based on the UK government's current inflation, but could be subject to change due to the economic climate, Brexit, legislation, etc.

- Rent increases are projected at 3.60% for the 2018/19 financial year in order to comply with WG rent policy, but this has then been reduced to 3% for each subsequent year. A new rent policy is awaited from WG so at this time rent increases are difficult to predict, although there has been a significant reduction in England.
- A provision for bad debt, including void rent loss, has also been incorporated into the projections. 6% has been allowed for within 2018/19, but this has been increased to 7% for the following years, to take into account the implementation of Universal Credit and increased levels of financial hardship on our customers.
- Staff costs have been assumed to rise by 2% over the next 4 years but increased to 2.5% from year 5.
- Maintenance and construction cost increases of 3% have been incorporated into the business plan, which again is built on historical and current trends. Such increases are subject to market conditions, legislation and Brexit, so are difficult to predict with any certainty.
- A full review of forecast WHQS costs is currently being undertaken to compare with the original costs in the business plan. The costs for delivering the WHQS programme to 2020 have been estimated using the most recent survey information. Where surveys have not yet been carried out, average costs per element have been used based on historical cost data. Obviously this changes on a daily basis once properties are surveyed and the actual works are identified, which may or may not include full works on all internal and external elements. There are also variations that arise within the contract duration. The costs built into the plan therefore are likely to change throughout the remainder of the programme, and this could impact on the level of borrowing capacity.
- A future asset management programme has been costed and budgeted for within the plan, based on historic actual costs and projected future workload. This includes £14m for our general asset maintenance programme, £2m for remodelling one of our sheltered housing schemes each year, £1m per annum for carrying out works of adaptation to our properties based on tenants' specific needs, £2m to support energy efficiency initiatives and provide match funding to possible WG grants and a £1m contingency budget for unforeseen requirements. This equates to a total allocation of £20m p.a. for the delivery of an asset management programme from 2020-25. Obviously the above projections are also linked to the previous assumptions made, so could be subject to change.

- 13.3 The delivery of this strategy has been aligned with the Housing Business Plan and demonstrates that the proposal is affordable within the HRA, with the exception of new build proposals which will be considered separately.
- 13.4 A summary of the Business Plan up to 2025 is provided as Appendix 1 and the proposals made within this strategy have been incorporated together with the assumptions summarised above and as set out in Appendix 2.
- 13.5 Officers will continue to seek alternative funding to support energy efficiency schemes for the Council's housing stock, as this will supplement the current investment being utilised to bring the stock up to the WHQS.

14. PERSONNEL IMPLICATIONS

- 14.1 Continued close management and monitoring of performance of the programme is essential to ensure that its delivery is not compromised in any way. There will be an increase in workload for the in-house team due to the sheltered housing schemes commencing along with the possibility of undertaking some of the work previously planned for Contract Services. Additional resources may be required to ensure performance in achieving the objective is

maintained and this has been incorporated into the business plan and will be considered in further detail as the post 2020 work is developed in detail.

15. CONSULTATIONS

- 15.1 All officer responses from consultations have been incorporated in the report.
- 15.2 Consultation has also been undertaken with the Repairs and Improvements Working group and the wider body of tenants through the use of social media, a newsletter, face to face engagement at events and e-bulletins. Where possible all responses received by the time this report has been finalised have been considered and taken into account, although further responses may be received and if relevant a verbal update can be provided at the meeting.

16. RECOMMENDATIONS

- 16.1 Members consider the following principles and provide comments prior to consideration by the Policy and Resources Scrutiny Committee and thereafter Cabinet:-
- a) The establishment of a 5 year Asset Management Strategy as set out in this report.
 - b) Agreement to the proposed delivery plan as indicated in Item 6 of this report.
 - c) Members agree the assumptions which have been included in the Business Plan that outlines the affordability envelope and have been set out in Appendix 1 and paragraph 12.2, whilst noting that these may be subject to change which may result in further reports being submitted.
 - d) Separate detailed reports to be submitted in relation to the remodelling of sheltered housing schemes and new Council housing.

17. REASONS FOR THE RECOMMENDATIONS

- 17.1 To consider a new asset management strategy to define Caerphilly Homes' approach to maintaining and improving the Council's housing stock and providing new housing to meet demand.

18. STATUTORY POWER

- 18.1 Housing Acts 1985, 1996, 2004, Local Government Measures 2009 and the Well-being of Future Generations (Wales) Act 2015.

Author: Shaun Couzens, Chief Housing Officer
Email: couzes@caerphilly.gov.uk Tel: 01443 866494

Consultees:

Cllr L Phipps	- Cabinet Member for Homes and Places
Cllr B Jones	- Deputy Leader and Cabinet Member for Finance, Performance and Governance
Christina Harrhy	- Interim Chief Executive
Dave Street	- Corporate Director of Social Services & Housing
Steve Harris	- Acting Head of Finance and S.151 Officer
Jane Roberts-Waite	- Strategic Co-ordination Manager

Fiona Wilkins	- Public Sector Housing Manager
Lesley Allen	- Group Accountant
Rhys Lewis	- Performance and Systems Manager
Lisa Lane	- Interim Monitoring Officer
Ros Roberts	- Performance Manager
Ian Raymond	- Performance Management Officer

Background Papers: Welsh Housing Quality Standard (WHQS)
The Council's Local Housing Strategy

Appendices: Appendix 1 – Business Plan Summary
Appendix 2 – Business Plan Proposals/Assumptions

Caerphilly County Borough Council
HOUSING BUSINESS PLAN 2018/19
Major Repairs and Improvements Financing

Appendix 1

Year	Year	Expenditure					Financing					Total Financing	
		Catch up Repairs	Planned Maint	Improvements	Other	Total Expenditure	Borrowing	RTB Receipts	Other	Repairs Account	RCCO		
		£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000
1	2018.19	0	55,801	0	0	55,801	20,700	881	7,347	0	26,873	55,801	
2	2019.20	0	46,972	0	0	46,972	22,903	0	7,347	0	16,722	46,972	
3	2020.21	0	20,000	0	0	20,000	0	0	7,347	0	12,653	20,000	
4	2021.22	0	20,000	0	0	20,000	0	0	7,347	0	12,653	20,000	
5	2022.23	0	20,000	0	0	20,000	0	0	7,347	0	12,653	20,000	
6	2023.24	0	20,000	0	0	20,000	0	0	7,347	0	12,653	20,000	
7	2024.25	0	20,000	0	0	20,000	0	0	7,347	0	12,653	20,000	

**HRA Business Planning
CAERPHILLY
2018/19**

Borrowing Capacity: £ 180,063,561

		Opening HRA CFR	New Borrowing	MRP and Other Repayments	Closing HRA CFR	Borrowing Capacity	Borrowing Capacity %
Audited	2016/17	116,511,556	-	3,514,481	112,997,075	67,066,486	37%
Forecast	2017/18	112,997,075		3,310,841	109,686,234	70,377,327	39%
1	2018/19	109,686,234	20,700,000	4,836,800	125,549,434	54,514,127	30%
2	2019/20	125,549,434	22,900,000	2,510,989	145,938,445	34,125,116	19%
3	2020/21	145,938,445		2,918,769	143,019,676	37,043,885	21%
4	2021/22	143,019,676		2,860,394	140,159,283	39,904,278	22%
5	2022/23	140,159,283		2,803,186	137,356,097	42,707,464	24%

Borrowing capacity is dependent on the assumptions in the Business Plan and the level of borrowing required to meet WHQS.

HRA CAPITAL PROGRAMME

	<u>2018/19</u>	<u>2019/20</u>
In House		
Internals	9,487,931	7,396,748
Externals	-	-
Sheltered	4,129,030	2,917,942
Contractor		
Internals	3,583,799	1,105,312
Externals	16,879,423	10,466,392
Direct Works Programme		
	<u>34,080,183</u>	<u>21,886,394</u>
	<u>9,664,696</u>	<u>14,497,044</u>
	<u>43,744,879</u>	<u>36,383,438</u>
Other		
Contingency (direct works)	3,408,018	2,188,639
Env works	3,600,000	3,600,000
Adaptations	800,000	800,000
Voids	1,000,000	1,000,000
Garages	500,000	500,000
Fees	2,748,055	2,500,000
	12,056,073	10,588,639
	<u>55,800,952</u>	<u>46,972,077</u>

Gadewir y dudalen hon yn wag yn fwriadol

Area	Assumption	Rate / Value	Comment
General	General inflation rate	2%	As per UK Governments current inflation and WG business planning guidance
Rental Income	Rent increases 2018/19	3.60%	This is the minimum increase to ensure CBBC rent target level is met
	Rent increases beyond 2018/19	3%	CPI (at 2%) plus 1% as per current rent policy
	Void provision	6%	rising to 7% yr 2 & 3 to meet expectation of high arrears due to UC rollout. Currently voids & bad debt is 4.88%.
	Bad debt provision		Included in above
	Expected Universal Credit roll out date		September 2018
Costs	Staff cost increases	2%	Due to historical low pay awards 2% is deemed sufficient for the plan but this increases to 2.5% from yr 5
	Maintenance cost inflation	3%	To allow for material increases
	WHQS cost inflation	3%	To allow for material increases
	Construction cost inflation	3%	To allow for material increases
Debt	Debt pools		External treasury management consultants have advised a one pool approach
	CRI/MRP rates		CRI as per Treasury Management modelling. MRP 2% on all debt
Planned Maintenance (Post WHQS)	Planned Maintenance	£14m	Indicative budget of £20m set for 5 years post WHQS, based on affordability and current spend profile using actual average costs.
	Sheltered Remodelling	£2m	
	Adaptations	£1m	
	Energy Efficiencies	£2m	
	Contingency	£1m	
	TOTAL	£20m	

Deviations to any of the above assumptions will impact on the affordability of the Business Plan resulting in a change to the borrowing requirements which in turn will affect the borrowing capacity.

Gadewir y dudalen hon yn wag yn fwriadol



SPECIAL CABINET – 12TH SEPTEMBER 2018

**SUBJECT: REMODELLING AND RECLASSIFICATION OF OLDER PERSONS
ACCOMMODATION**

**REPORT BY: CORPORATE DIRECTOR FOR EDUCATION AND CORPORATE
SERVICES**

-
- 1.1 The attached report is due to be presented to the Policy and Resources Scrutiny Committee on 6th September 2018.
 - 1.2 The views expressed at the meeting and the recommendations of the Scrutiny Committee will be reported verbally to Cabinet for consideration.

Author: A. Dredge, Committee Services Officer, Ext. 3100

Appendices:
Appendix A Report to the Policy and Resources Scrutiny Committee on 6th September 2018 – Agenda Item 8

Gadewir y dudalen hon yn wag yn fwriadol



**POLICY AND RESOURCES SCRUTINY COMMITTEE –
6TH SEPTEMBER 2018**

**SUBJECT: REMODELLING & RECLASSIFICATION OF OLDER PERSONS
ACCOMMODATION**

**REPORT BY: CORPORATE DIRECTOR FOR EDUCATION AND CORPORATE
SERVICES**

-
- 1.1 The attached report will be presented to the Caerphilly Homes Task Group on 4th September 2018.
 - 1.2 The views expressed at the meeting and the recommendations of the Caerphilly Homes Task Group will be reported verbally to the Policy and Resources Scrutiny Committee.
 - 1.3 Members are asked to consider the contents of the report and make a recommendation to Cabinet.

Author: R. Barrett, Committee Services Officer, Ext. 4245

Appendices:

Appendix 1 Report to Caerphilly Homes Task Group on 4th September 2018 - Agenda Item 9

Gadewir y dudalen hon yn wag yn fwriadol

CAERPHILLY HOMES TASK GROUP – 4TH SEPTEMBER 2018

SUBJECT: REMODELLING & RECLASSIFICATION OF OLDER PERSONS ACCOMMODATION

REPORT BY: CORPORATE DIRECTOR FOR SOCIAL SERVICES AND HOUSING

1. PURPOSE OF REPORT -

1.1 The report requests that prior to its presentation to the Policy and Resources Scrutiny Committee and thereafter Cabinet, Members consider recommendations relating to:

- initial feasibility studies for the remodelling of 6 sheltered housing schemes and proposed options
- re-classification of Hafod Y Bryn, Risca to older persons accommodation and Tredegar Court, Crosskeys to a standard sheltered housing scheme
- complete decommissioning of 4 partly decommissioned schemes in the Caerphilly Basin
- re-classification of specified units of older persons housing stock in the County Borough
- granting of delegated powers to Officers, in consultation with the Cabinet Member for Homes and Places to re-classify older persons accommodation to general needs using the principles specified within this report

2. SUMMARY

2.1 In the Risca/Crosskeys areas alone there are 6 Council owned sheltered housing schemes in addition to Housing Association provision. There are also a significant number of designated older persons units within these communities. A review of these schemes with consideration for remodelling was required due to the high number of schemes and the lack of demand in the locality for the type of accommodation on offer, not all of which was considered fit for purpose. A decision taken in relation to any of the schemes mentioned in this report could impact on the other schemes in the area hence the combined recommendations in this report.

2.2 A report was presented to and approved by Caerphilly Homes Task Group and the Policy & Resources Scrutiny Committee in September 2015 to undertake feasibility studies for the potential remodelling of 6 sheltered housing schemes in the Eastern Valley. These initial studies have been completed and this report provides the detail and estimated financial implications for the remodelling options. It also includes options other than remodelling for consideration by Members.

2.3 Since the report was presented in September 2015, further issues have arisen and investigations have identified the need for a wider review of certain older person services which are also included in this report.

2.4 The scheme located at Hafod Y Bryn is not operating well as a sheltered housing scheme and would suit reclassification. A feasibility study has been undertaken and details are provided in this report.

- 2.5 This report also considers the removal of the extra care classification for Tredegar Court as it no longer provides an extra care service. The proposal would assist in stabilising future allocations providing a fairer service charge for tenants and remove the need for HRA subsidy to the service.
- 2.6 The proposal for full decommissioning of the 4 partly decommissioned older persons schemes in the Caerphilly Basin to replace the hard wire alarm service with a dispersed alarm service is also given consideration in this report.
- 2.7 There is a significant unmet need for general needs accommodation for single people throughout most of the County Borough. In order to assist in meeting this significant unmet demand this report proposes that all 1 bed houses currently designated for older persons be re-designated for general needs use. In addition, it recommends that certain low demand older person flats be re-classified for general needs use. It also recommends approval for delegated officer decisions in future, in consultation with the Cabinet Member for Homes and Places for the re-classification of older persons stock, where it is evidenced that demand for such older persons' accommodation is low and there is significant unmet need for general needs accommodation within that community.

3. LINKS TO STRATEGY

- 3.1 The Corporate Plan 2018-2023 Well-being Objective 3 addresses the supply, condition and sustainability of homes throughout the County Borough and the provision of advice, assistance or support to help improve people's health and well-being.
- 3.2 The Strategy for Older People in Wales 2013-2023 ensures that older people in Wales have the resources they need to deal with the challenges and opportunities they face for the future.
- 3.3 Improving Lives & Communities – Homes in Wales 2010 Welsh Government Report. This sets out the national context on meeting housing need, homelessness and housing related support services.
- 3.4 The Wellbeing of Future Generations Act 2015 sets out the following wellbeing goals which link with the aims of this report:-
- A resilient Wales
 - A prosperous Wales
 - A healthier Wales
 - A more equal Wales
 - A Wales of cohesive communities
 - A globally responsible Wales
- 3.5 The Welsh Housing Quality Standard (WHQS) is intended to ensure that all social housing is improved and maintained to achieve specific standards. The Council is committed to ensuring that the WHQS investment transforms not only homes but also lives and communities.
- 3.6 Caerphilly Well-Being Plan (2018-2023): *Positive Places - Enabling our communities to be resilient and sustainable.*

4. THE REPORT

REMODELLING

- 4.1 There are 34 sheltered housing schemes comprising of 988 units of sheltered housing in the Caerphilly County Borough, 15 of these schemes are under one roof. One scheme is classified as an extra care scheme.

- 4.2 Following a Sheltered Housing review in 2013, six sheltered housing schemes in the Eastern Valleys area were identified as unfit for purpose. This was mainly due to the bedsits and small flats within the schemes as well as accessibility issues. In 2015 Cabinet approved the completion of preliminary studies to consider the feasibility of remodelling these schemes to meet future needs and demands, committing to consider implementation of viable options post 2020.
- 4.3 Five of these schemes, namely Castle Court, Ynyswen, Waunfawr House, St Marys Court and Ty Melin have been inspected by the CCBC Building Consultancy team to establish their initial potential for remodelling. All five have been considered potentially suitable for remodelling and the associated draft plans and estimated costings have been provided. Remodelling would significantly reduce the number of units at each of the schemes with a consequential loss of rental income. Service charges would also be apportioned to a lesser number of tenants within the schemes resulting in higher charges to the remaining tenants.
- 4.4 Whilst initial consideration was given to the potential remodelling of Britannia Court, this has not progressed to formal detailed inspection to determine feasibility due to the observations incorporated into this report.
- 4.5 There are significant cost and risk implications attached to the remodelling options for the schemes, which are set out in this report and this contributes to a number of concerns for the future viability of these schemes. Future demand for any remodelled scheme is not guaranteed. Despite the significant investment required the impact on service charge costs per scheme and per household is uncertain. In addition, the potential impact of possible further changes to housing benefits and Supporting People funding is currently unable to be determined. Also local development proposals may shift demand from existing local authority housing to new build properties if they are perceived to be more desirable and it can not be guaranteed that the remodelling proposals would sufficiently satisfy current and future needs, demands and legislative requirements.
- 4.6 Whilst the current Common Housing Register evidences some demand for older persons and sheltered housing, waiting lists for Castle Court, Ynyswen, Waunfawr House, St Marys Court and Ty Melin continue to be regularly exhausted as the smaller properties and bedsit accommodation are considered to be undesirable and impractical. This was a key factor in deciding which schemes should be considered for remodelling.
- 4.7 There are currently 34 voids within the schemes identified for remodelling 31 of which are bedsits, reflecting the current lack of demand for this type of property. Since the earlier report in 2015, in total 48 properties have become void across these schemes.

New voids from 01/04/2016 to 16/02/2018:

Scheme	Number of units	New Voids 2016/17	New Voids 2017/18	Total New Voids 2016-18	Current Voids
BRITANNIA COURT/CLOSE, RISCA	30		1	1	0
CASTLE COURT (UNDER ONE ROOF ONLY), CROSSKEYS	41	6	5	11	17
ST MARYS COURT, RISCA	33	1	5	6	0
TY MELIN, CROESPENMAEN	33	7	6	13	3
WAUNFAWR HOUSE, CROSSKEYS	22	5	5	10	10
YNYSWEN, PONTLLANFRAITH	19	3	4	7	4
Total	178	22	26	48	34

Average void duration of the 48 properties that have become void since 01/04/2016:

Scheme	Average void duration (days)
BRITANNIA COURT/CLOSE, RISCA	34
CASTLE COURT, CROSSKEYS	234
ST MARYS COURT, RISCA	76
TY MELIN, CROESPENMAEN	131
WAUNFAWR HOUSE, CROSSKEYS	283
YNSWEN, PONTLLANFRAITH	154
Overall average	181

- 4.8 The rent loss for all voids excluding the support/service charges for each scheme from 2015/16 to date equates to:

Scheme	Rent Loss
BRITANNIA COURT/CLOSE, RISCA	£6,063.84
CASTLE COURT, CROSSKEYS	£72,224.72
ST MARYS COURT, RISCA	£7,726.02
TY MELIN, CROESPENMAEN	£37,450.35
WAUNFAWR HOUSE, CROSSKEYS	£43,106.04
YNSWEN, PONTLLANFRAITH	£36,391.64

- 4.9 There is a high concentration of sheltered housing and older persons stock in parts of the Eastern Valleys area, with 70% of stock being designated for older persons or sheltered compared in the communities of Risca and Crosskeys in comparison to 30% across the stock as a whole. This contributes to the issues of low demand for sheltered accommodation. There are no applicants on the waiting list for sheltered housing bedsit accommodation in these areas and only a limited demand for 1 and 2 bed sheltered housing accommodation.
- 4.10 Discussions have been held and continue with partner agencies, including Social Services, to consider potential opportunities for alternative uses of the schemes, however this is proving difficult due to the size, location, access and make up of the schemes under review.
- 4.11 Consultation is ongoing with Charter/Pobl regarding their potential future plans to develop additional older persons housing in the Risca area, which would be tailor made, up to date and specialist, mixed tenure housing if it were to progress. This could further impact on the future demand for existing local authority stock as it would offer a credible modern alternative.
- 4.12 Demolition of some of the schemes identified for remodelling, and the subsequent sale of the land is an option due to the high cost implications associated with remodelling, the close proximity of competing schemes and the uncertainty of future demand. Initial discussions have indicated there would be demand for redevelopment of one or more of the sites for housing use.
- 4.13 If any remodelling is approved, it is anticipated the work would be undertaken between 2020 and 2025 and could potentially be carried out by the in-house workforce to provide continuity for those employees post achievement of WHQS in 2020. Due to the extent of works associated with remodelling consideration will need to be given to decanting of tenants, on a temporary basis (or permanently if this were their preference) to enable works to proceed.
- 4.14 The following remodelling proposals and estimated costs have been provided for the aforementioned schemes, they vary in content and detail with regard to the specification of work but give an indication of the spend required to bring these schemes up to the required

minimum standard. It is anticipated that further work would be required as the projects evolve as the studies have not been invasive and unforeseen work should be expected.

4.15 **Britannia Court, Risca**

4.15.1 Britannia Court has been given initial consideration for remodelling however due to:

- the increase in demand evidenced over the past two years
- the scheme not having bedsit accommodation
- no current void properties
- well used communal facilities and good tenant engagement
- its general good property condition, lift provision
- recent improvements completed to main access for those with restricted mobility.

It is now proposed that this scheme be incorporated into the current WHQS programme of work for sheltered housing for completion by 2020.

4.15.2 There are 22 units in the under one roof part of the scheme and 8 outside flats in two blocks at Britannia Close set across the main road, which are also part of the scheme. Recent consultation responses from the tenants of these outside flat blocks in relation to the service charges review have indicated that the current tenants do not regard themselves as part of the scheme, as their location does not lend itself to easy use of the under one roof facilities. Subject to a feasibility study of the drainage system and tenant consultation, there is an option to fully decommission the 8 outside flats and separate them from the sheltered housing scheme by reclassifying them as designated older persons, non sheltered housing stock or an alternative housing use. In considering this option we recognise the requirement to consult to obtain the views of the current tenants in both the outside flats and the main scheme. Should these flats be reclassified the tenants in the flats would see a saving on service charges as they would no longer be service charged for the communal facilities in the scheme, however this would mean they would no longer have access to those facilities. Any approved change would be subject to a variation of tenancy for the tenants in the flat blocks.

4.15.3 If after consultation there was a decision to proceed with reclassification, any tenant in the flats who objected could register for a transfer to the under one roof scheme. If the flats were reclassified the tenants would retain the link to the Careline facility. They would not receive the service of the Sheltered Housing Officer, support planning or housing related support, however they could request assistance from the Floating Support service if any housing related support was required at any time. As they would not be able to use the laundry facilities at the sheltered housing scheme any WHQS work to their kitchens would need to ensure there is space for a washing machine and adequate drainage. The flats already have washing line facilities. The flats also have their grass cut under the grounds maintenance arrangements for the scheme and this would also need to be reviewed. If the tenants wish to retain this service if reclassification goes ahead then this element of the service charges would continue to apply.

4.15.4 Reclassification of outside flat blocks would impact on the tenants of the under one roof block as the service charges would be spread across fewer tenants however, the scheme is currently subject to the service charges cap.

4.15.5 The weekly service charges for the scheme currently equate to £27.89 (30 units), but are currently capped at £27.35 for most tenants. Reclassification of the outside blocks of flats would reduce the units at the scheme by 8 and the service charges (uncapped amount) would have the potential to increase to £38.03 (22 units).

4.15.6 If a decision is taken to separate the flats from the scheme, every effort would be made to work with the tenants in reducing the service charges for the scheme where possible and practical.

4.16 **Ty Melin, Croespenmaen**

4.16.1 Comprises 33 under one roof extremely small 1 bed units, 3 of which are currently void. The remodelling proposals are to redesign all units, combining the units to provide partial compliance with the WHQS standard, with 20 fully compliant and 3 non compliant units.

Proposals include:

- Electrical upgrade
- Heating upgrade
- Provision of new passenger lift
- Additional car parking facilities
- Redecoration
- Window and door alterations/renewal

4.16.2 Estimated cost of remodelling is £1,720,000, equating to £74,783 per unit (23). The weekly service charges for the scheme currently equate to £26.76 (33 units), with installation of a lift and a reduction in units this would have the potential to increase to £40.52 (23 units).

4.16.3 This is the only sheltered housing scheme in this area but it is in a poor location with few local facilities. The nature of the 3 storey design does not lend itself well to the installation of a standard passenger lift, although this can be provided at a cost. Remodelling would result in less rental income and higher service charges for the tenants. The site itself would be desirable for re-development due to its location.

4.17 **Ynyswen, Pontllanfraith**

4.17.1 This is a single storey under one roof scheme with 19 units, comprising 12 bedsits, 6 one bed flats and 1 two bed flat. 4 bedsits are currently void. Remodelling would reduce the units at the scheme to 13 units and the fully compliant WHQS option is:

- Reconfigure existing bedsits to provide 8 fully WHQS compliant units and retain 5 existing 1 bed flats, including energy metering, at an estimated cost of £820,000 which equates to £63,076 per new unit (13)

4.17.2 The estimated costings include:

- replacement heating system
- improved drainage work
- window renewal/alterations
- redecoration
- electrical upgrade.

4.17.3 The uncapped weekly service charges for the scheme currently equate to £35.75 (19 units), currently capped at £27.35 for most tenants. With a reduction in units this would have the potential to increase to £52.25 (13 units).

4.17.4 This is the only sheltered housing scheme in this locality which is generally a high demand area for general needs accommodation. It is not located close to community facilities. There are older persons bungalows close by. Remodelling would reduce the number of units significantly and increase the service charges to the remaining units. If we were to proceed with remodelling there would be scope in the future to reclassify the scheme for alternative purposes if demand for the sheltered housing is not sustained.

4.18 **Castle Court, Pontywaun**

4.18.1 Comprises of 56 units in total. There are 41 under one roof units which include 28 bedsits. There are also 15 outside properties in four separate blocks (14 one bed flats, 1 two bed house) which have not been considered as part of this remodelling exercise. There are currently 17 voids in the under one roof building, of which 16 are bedsits. The option presented for remodelling the under one roof units to a fully WHQS compliant scheme is:

- £2,445,000, equating to £84,310 per new unit in the main building (29)
- additional £40,000 for a new accessible lift
- Estimates for the full remodelling include renewal of electrics, replacement of heating system, decoration, windows, doors, provision of new scooter store, car park improvements, new bin store, drainage work
- Carpet costs are not included

4.18.2 This option would reduce the number of units to 29 flats within the under one roof scheme, totalling 44 units for the scheme when including the 15 outside flats. Weekly service charges for the scheme currently equate to £25.88 (56 units), with a reduction in units this would have the potential to increase to £32.93 (44 units).

4.18.3 The budget for a comparable new build alternative on the site has been estimated at £4,513,375.

4.18.4 The scheme is low demand due to the bedsit accommodation. It is in a location where there are other Council and Housing Association sheltered housing schemes in close proximity which are more desirable. This scheme would require a high level of investment and the remodelling would result in less rental income and higher service charges for the tenants. The site is large and would lend itself to development.

4.18.5 If remodelling proposals go ahead or a decision is taken to close the scheme there is an option to consider reclassification of the 15 outside flats from the under one roof element of the sheltered housing scheme and reclassifying them to designated older persons accommodation or an alternative use e.g. single persons accommodation, similar to the Britannia Court sheltered housing scheme as detailed above.

4.19 **St Marys Court, Risca**

4.19.1 Comprises of 33 under one roof units in total. There are 16 one bed flats, 16 bedsits and 1 three bed house (ex Wardens property), across two wings and two storeys, jointed by a single storey block housing communal facilities. There are currently no void properties at the scheme.

4.19.2 The remodelling proposal to a fully WHQS compliant scheme consists of:

- Bedsits in each 'block' combined to produce one bed, two person flats, reducing the number of units to 25
- The kitchen and adjacent store in the one bedroom flats be combined to open the living room and the boiler be repositioned to improve the space available
- Providing a lift for each of the two wings (£65,000 per lift)
- Entrance reconfigured to increase foyer space and provide 2 accessible WCs
- Redecoration
- Estimated cost: £2,746,250, equating to £109,850 per new unit (25)

Associated external scheme improvement work has not been included. There is an option to reduce costs by providing only one part of the scheme with a lift.

4.19.3 The uncapped weekly service charges for the scheme currently equate to £30.98 (33 units), currently capped at £27.35 for most tenants. With a reduction in units this would have the potential to increase to £43.85 (25 units with service charges for 2 lifts in situ).

4.19.4 This scheme is in a good level location close to local facilities however the bedsit units are difficult to let. The scheme is across two floors with two separate wings and it does not have a lift. Remodelling would result in less rental income and higher service charges for the tenants. The site itself would be desirable for re-development due to its location.

4.20 **Waunfawr House, Crosskeys**

4.20.1 This is a 3 storey under one roof scheme with 22 units comprising 16 bedsits, 5 one bed flats and 1 three bed flat. There are currently 10 void properties at this scheme. Remodelling to replace bedsits with 1 bed flats would reduce the number of units to 16 and leave 3 non WHQS compliant bedsits due to there being limited options for improvement.

4.20.2 The remodelling proposals include:

- Relocation of laundry room
- New heating, water, gas and electricity services internally
- Window renewal/alterations

The estimated cost does not include any external work to the communal areas, paths or gardens.

4.20.3 Estimated cost of remodelling: £1,174,000 equating to £73,375 per new unit (16).

4.20.4 The uncapped weekly service charges for the scheme currently equate to £31.65 (22 units), with a reduction in units this would have the potential to increase to £43.51 (16 units).

4.20.5 This scheme is located on a level site within reasonable distance to local facilities at the end of a cul-de-sac which is an area of predominantly older persons' accommodation and borders the Crosskeys Coleg Gwent Campus. Parking and garden space is limited. The bedsits are small and undesirable. Remodelling would result in less rental income and higher service charges for the tenants.

4.21 **Alternative Proposal**

From the above information it is considered that the cost of remodelling each of the schemes is exceptionally high. It is likely that future charges in some schemes would not be affordable for most tenants who are not benefit dependant. In addition, future demand is not guaranteed. Due to the cost and location of 3 of the schemes Officers are of the opinion that it would be prudent to consider the closure of Castle Court (41 units, 24 tenants displaced, excluding the outside blocks of flats), St Marys Court (33 units, 33 tenants displaced) and Waunfawr House (22 units, 12 tenants displaced) and consideration could be given to developing a new build replacement sheltered housing scheme on an alternative identified site in the same locality e.g. Ty Darran. Such a scheme is considered to be a good long term investment as it would provide a modern facility meeting the aspirations of current and future tenants. It would incorporate appropriate accommodation and accessibility standards with up to date technology. Such a scheme would also be designed to provide flexibility to adapt to changing needs and demands. It is anticipated this could be a joint venture with Health and Social Services to provide a community hub approach. This would necessitate detailed negotiations with stakeholders and partners. A commitment could be given to rehousing the displaced tenants to the new scheme giving them the opportunity to remain in their existing community. The number of households to be displaced is currently 69, however this could be managed to reduce this figure if future voids are not relet. Consideration to future use including sale or re-development of the sites of the 3 former sheltered housing scheme sites could then be progressed.

HAFOD Y BRYN, RISCA

4.22 This sheltered housing scheme consists of 28 flats across 7 two storey blocks. There is a separate block housing the communal facilities on the ground floor and the former 'Warden' 2 bed flat on the first floor. This flat is now utilised as a sheltered housing unit within the scheme.

4.23 The scheme has not always been designated for sheltered housing. It is located on a hill, situated away from general local facilities. Several of the blocks are located away from the highway with stepped access. There is a possibility that there will be a requirement for the current road through the scheme to be widened in the future to provide access to facilitate the

development of a proposed new build site, which would further compromise the success of a sheltered housing scheme.

- 4.24 The communal facilities consist of a communal lounge, kitchen, office, laundry and toilet facilities. The laundry is used regularly but the rest of the communal facilities are not well used and the scheme does not work well as a sheltered housing scheme. Removal of the communal laundry facility could be addressed by WHQS kitchen improvement works to enable tenants to have laundry facilities in their own homes if there is adequate drainage capacity for the site, which is yet to be determined.
- 4.25 There are no current void properties at this scheme, however demand is routinely low and the current waiting list is exhausted.
- 4.26 This scheme would suit reclassification from sheltered housing to designated older persons' accommodation but could also accommodate general needs households. Full consultation and information sharing would be required for tenants to advise them of a review of their services, such as access to housing support from floating support services when required rather than a Sheltered Housing Officer, impact on service charges and changing to a dispersed alarm service. Service charges would be significantly reduced for tenants if reclassification is approved.
- 4.27 Reclassification could result in increased demand for other sheltered housing schemes in the locality.
- 4.28 Building Consultancy has undertaken a feasibility study and confirms that the ground floor of the communal building could be converted into another flat with 2 possible options provided at the following estimated cost:
- Option 1: 2 bed 4 person flat with shower room and bathroom - £93,000
 - Option 2: 3 bed 6 person flat with bathroom - £90,000
- 4.29 Due to their size and their location facing the main road on the edge of the scheme, if the reclassification of the scheme and the conversion work to the communal area is approved, these two properties would be suitable for general needs family accommodation.

TREDEGAR COURT, CROSSKEYS – EXTRA CARE

- 4.30 Tredegar Court is currently classified as an extra care scheme with 25 under one roof flats however it no longer provides a full extra care service having had the on site 24 hour carer assistance removed by Social Services from the scheme in 2010. It was a sheltered housing scheme before being refurbished as an extra care scheme in 2004. There are also 12 outside flats in Tredegar Street which were decommissioned from the extra care scheme in 2010 and are now regarded as sheltered housing stock but are still subject to the full service charges of the extra care scheme as they have full access to the services.
- 4.31 Despite the full care service being withdrawn, the scheme still has additional services over and above those provided in a traditional sheltered housing scheme. The facility provides 1 meal a day to the tenants in Tredegar Court as a mandatory requirement of the tenancy arrangements, although not all tenants routinely take their meals. The tenants in the Tredegar Street flats still have the option to purchase a meal but on a daily basis by paying up front separately when ordered but there is only a limited take up of this service. There is also a full time Sheltered Housing Officer on site Monday to Friday serving both the scheme and the outside flats, whereas sheltered schemes have part time Sheltered Housing Officer cover.
- 4.32 The scheme has a large commercial kitchen facility which is managed by Catering Services with Housing recharged in full for the provision of the facility. This cost is service charged to the tenants, however, the meal service is currently heavily subsidised by Housing and this is not cost effective for the future. For 2017/18, the meal service expenditure totalled £59,544.32 and income totalled £35,821.19, equating to a deficit of £23,723.13.

- 4.33 There are currently 7 void properties at this scheme, 6 in the main building and 1 outside flat. Demand is low and the assessment of suitable tenants for the under one roof element is confusing for applicants and Officers. Housing are frequently requested to accept applicants who have high level extra care needs but the scheme is now unable to provide this level of care. Applicants with a lesser need do not have care packages but the current allocations process requires that a new tenant has to have a care package in place. Therefore this is proving to be contradictory and difficult to assess.
- 4.34 The communal facilities, communal bathroom, and hairdressers have not been well used for some years. The shop facility closed after a short period of time of the extra care facilities being introduced due to lack of demand.
- 4.35 A recent meeting has taken place with the Assistant Manager of Adult Social Services and the Care Manager to discuss the future of the extra care classification. It was agreed that in essence the scheme is no longer an extra care facility and does not lend itself to provide the extra care option for the future. The building is now deemed to be unsuitable for extra care facilities and this was one of the reasons why the full carer service was withdrawn. Discussions with Adult Social Services have not resulted in proposals for alternative uses of the scheme.
- 4.36 If the extra care title assigned to this scheme is removed and it is returned to a standard sheltered housing facility with the same allocations approach as sheltered housing, this should help to alleviate the low demand issues at this scheme.
- 4.37 Removal of the extra care title would enable closure of the kitchen and facilitate reduced costs to the tenants and remove the need for the significant subsidy. Alternative meal provisions would be offered, i.e. Meals Direct (from £3.10 per two course meal), Wiltshire Farm (from £2.99 per meal), for those who would require it.
- 4.38 When the service charge review was undertaken in 2017, Tredegar Court was excluded from the review due pending this proposal. If a decision is made to retain the kitchen provision, a review of the service charges to the tenants would be required to cover the costs currently heavily subsidised by the Council and this is likely to make the scheme unaffordable for tenants in the future.
- 4.39 Should this scheme be reclassified to sheltered housing, the existing care arrangements which have been put in place would continue unchanged for each individual tenant. The provision would be the same as is offered to persons receiving care in the community or in other sheltered housing schemes. Any tenant requiring referral for assessment for relocation to an alternative true extra care scheme would receive assistance and support to instigate this.
- 4.40 It is proposed that the existing Sheltered Housing Officer would continue full time at the scheme to support tenants with the proposed transition of services for a maximum period of 12 months at which time the level of cover would come into line with other sheltered housing schemes which would be reflected in the revised service charges to the tenants of the scheme.

FULL DECOMMISSIONING OF PARTLY DECOMMISSIONED SCHEMES

- 4.41 As part of the previous sheltered housing review in 2013, four schemes in the Caerphilly Basin namely Nantddu, Waunfach, Claude Road (Denscombe), and Grange Close, were partly decommissioned, a total of 133 units. They continue to receive the hard wired alarm service and housing management support e.g. assistance with TV licencing for those in receipt of protected rights, at a weekly charge of £5.62. A floating support service is also provided at a set charge of £4.69 per week. It was agreed at the time that the floating support service is not time limited on demand housing related service, with regular pullcord checks.

- 4.42 The sheltered housing service continues to fund annual maintenance costs for Tunstall hard wired alarm equipment at these locations. The standard maintenance contracts for all schemes total £3,513.67 per annum with the Council also funding any additional costs for work not covered by the contract. In the past 18 months there have been significant external cabling issues which have not been covered by the contract. It is anticipated this will continue to be a service delivery problem in future years due to the age and condition of the cabling at the sites.
- 4.43 It is proposed that consideration now be given to fully decommissioning these partially decommissioned units. To allow for full decommissioning, tenants would receive a face to face visit as part of the consultation process. Each tenant would receive the option of a pendant dispersed alarm to replace the hard wired alarm system. Future support for the dispersed alarm service would be through the Caerphilly Careline service. Tenancy management issues would continue to be directed through their local housing office. Each tenant would continue to have the option of referral to the Floating Support Service for short term housing related support as currently offered to all other clients. The Floating Support Service would continue to assist with the TV Licencing for the remaining tenants on protected rights until there is a change in tenancy or the tenants attain the age of 75.
- 4.44 Initial full decommissioning of these schemes would incur costs to the Council associated with the installation of the dispersed alarm system and the provision of a pendant to each tenant requesting one. Access to a telephone line would also be required. Decommissioning would eliminate the maintenance and repair costs to the Council for the hard wired alarm system and the possibility of any future associated service charges to tenants. Pullcord checks would no longer be required and the pullcords would be removed as part of the full decommissioning work. A quarterly standard charge of £57.59 (discounted if on housing benefit to £38.09) would apply to tenants if they were to receive the dispersed alarm service, however they would be able to opt out of this service if they wished. Currently they are not able to opt out and have to pay an alarm charge.
- 4.45 When the service charge review was undertaken in 2017, these schemes were excluded from the review due to this pending proposal. If full decommissioning does not take place, there would have to be a review of the charges imposed for floating support, maintenance charges, and other associated services, which could result in the properties becoming unaffordable for tenants in the future.

RECLASSIFICATION OF EXISTING OLDER PERSONS HOUSING

- 4.46 Members will be aware that there is a significant unmet need for general needs accommodation for single people throughout most of the County Borough (LHMA, 2015). The Council's current stock of single person accommodation is limited in number and is largely concentrated in a small number of our communities, rather than dispersed across the County Borough. This means that there is very little choice and in order for single persons to be housed the majority are routinely required to leave their own communities and associated support networks.
- 4.47 These single people often find it extremely difficult to settle and become part of the community in which they find themselves, where there also tend to be significant numbers of other single people in a similar situation. With large numbers being placed in the same community, this can also lead to community concerns and allegations of anti-social behaviour, thereby affecting the reputation of the area and having a negative impact on future demand for properties. The individual's situation is often compounded by the enforced loss of local support networks, which may include family members and community members in addition to formal service provisions. This trend has a detrimental impact on community sustainability and cohesion in both the former and new communities. It may also impact on family cohesion including difficulties in individuals sustaining relationships with children, siblings etc. often leading to isolation and vulnerability, and in many cases failed tenancies and subsequent homelessness.

- 4.48 The current Housing register includes 1,383 single person households who want to be housed by Caerphilly Homes, whilst we have a stock of only 406 single person general needs properties, of which 86 are two bedroom properties. Lettings policies and affordability issues preclude single person households from receiving offers of larger accommodation. By contrast 784 applicants aged 60 or over want to be housed in Caerphilly Homes designated older persons' non sheltered 1 bed accommodation of which we have 872 properties. Many of these older applicants have also applied and are eligible for 2 bed older persons' properties of which we have 1,361.
- 4.49 It is recognised that there is a significant shortage of 1 bed general needs properties within the County Borough, The impact of welfare reform and Universal Credit are placing increasing pressure on the Council to provide additional smaller units of general needs accommodation that are affordable. A failure to do so will result in increased levels of homelessness and tenancies failing due to financial hardship.
- 4.50 The 2015 Local Housing Market Assessment has identified a significant shortage of general needs 1 bed accommodation (588 units) and a surplus of older persons and sheltered accommodation (61 units) across the County Borough. Initial findings from the draft 2017 LHMA indicate that this mismatch continues.
- 4.51 Some designated older persons housing within the county borough is low demand and undesirable by older persons. This may be due to location, property type or design. Prior to the introduction of the Common Allocation Policy applicants were able to receive unlimited offers of accommodation without penalty. This enabled Officers to offer such properties to eligible applicants in shortlist order until they reached an applicant who would accept the property. If, as was common, they exhausted the waiting list of older persons for the property they were able to continue to shortlist in 5 year age bands under 60 until they were successful in allocating the property. In practice, this resulted in many of these lower demand older person properties being allocated to applicants under 60. Those older persons that had refused offers of the accommodation were not disadvantaged in the application process by refusing this low demand accommodation.
- 4.52 The Common Allocations Policy has introduced a process whereby all applicants are entitled to receive three offers of accommodation based on the preferences they express on their application e.g landlord, property type and size, and area. All offers of accommodation that are made in accordance with the stated preferences which are subsequently refused by the applicant, without justification, are regarded by the Council as an unreasonable refusal. Upon three unreasonable refusals an application is suspended for three months. Experience to date has demonstrated that offers of accommodation that we know to be of low demand by older persons to these older applicants has impacted on their application as most refusals are considered to be unreasonable, thereby reducing their likelihood of being rehoused.
- 4.53 Re-classification of these low demand or unsuitable older persons' properties to general needs would assist older persons in receiving a successful allocation of a property of their choice and increase opportunities to house single younger persons across wider communities, and also support homeless prevention. It is therefore proposed to re-designate the following properties from older persons to general needs accommodation.
- 4.54 **One Bed Houses**
- 4.54.1 Caerphilly Homes manages 24 one bed houses across four communities, all but one of which is currently designated for older persons:
- Lower Row, Rhymney – 1 unit (general needs)
 - Railway Terrace, West End, Abercarn – 10 units
 - Central Avenue, Panside – 10 units
 - Chatham Place, Machen – 3 units

4.54.2 Demand for this type of accommodation by older persons tends to be low due to the size of the properties and the design which causes difficulties for those with restricted mobility, often necessitating adaptations or a future transfer to a more suitable property, causing inconvenience to the tenant and cost implications to the Council. Of the current tenants in these 1 bed houses only three were aged 60 or over at sign up, and only nine of the properties currently have a tenant aged 60 or over. Similar trends can be evidenced for former tenants in the last five years.

4.55 **One and Two Bed Flats at Pencoed Avenue, Cefn Fforest**

4.55.1 Cefn Fforest is identified within the 2015 Local Housing Market Assessment as a community with an over supply of older persons' accommodation and shortage of general needs accommodation. There are ten 1 bed and five 2 bed flats in Pencoed Avenue currently designated for older persons, in a location where the stock is predominantly designated for general needs. Demand for this older persons' accommodation is low due to its location. None of the current tenants were aged 60 or over at sign up, with only four aged 50 or over at sign up. None of the current tenants are aged 60 or over. Similar trends can be evidenced for former tenants in the last five years.

4.55.2 Acknowledging that a small number (9) of existing tenants in these properties would be eligible for older persons' accommodation, if re-classification were to be approved, appropriate support would be provided to those tenants to facilitate transfers if they wished to remain in older persons' accommodation.

4.55.3 It is recognised that there is the potential opportunity to identify additional accommodation that would be suitable for re-classification from older persons to general needs use across the County Borough. It is therefore proposed that Officers be given delegated powers to re-classify older persons accommodation to general needs, in consultation with the Cabinet Member using the principles identified above for Pencoed Avenue, when it can be evidenced that demand for specific blocks of older persons accommodation is low and there is significant unmet need for general needs accommodation within that community. If the delegated powers are approved, properties would only be allocated from the general needs list as and when a property becomes empty. The tenants already in occupation who would meet the criteria for older persons' housing would be supported to a move to older persons' accommodation if so desired, however there would be no enforced moves.

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

5.1 This report contributes to the Well-being Goals as set out in Links to Strategy above. It is consistent with the five ways of working as defined within the sustainable development principle in the Act in that:

Long Term – improving and future proofing our properties; providing affordable housing for current and future tenants to meet their needs and aspirations; promoting independence: providing a fair and transparent service to tenants

Prevention – providing well maintained, safe, warm and secure homes; preventing disrepair and promoting low maintenance for the future. Reducing dependence on health and social care. Reducing the requirement to build new housing to meet unmet needs by reclassification of existing stock.

Integration – improved standards of housing and community environments. Increasing cohesiveness of communities by ensuring there is a range of appropriate housing.

Collaboration – joined up working arrangements within in-house teams and cost effective procurement arrangements

Involvement – tenant meetings, consultation and information updates to obtain the views of the residents

6. EQUALITIES IMPLICATIONS

- 6.1 An EIA screening has previously been completed in accordance with the Council's Strategic Equality Plan and supplementary guidance. No potential for unlawful discrimination and/or low level or minor negative impact was identified therefore a full EIA has not been carried out to date. It is recognised that further EIA screening may be required in relation to the proposals prior to the implementation of the recommendations.
- 6.2 The Council recognises the need for older tenants to be supported, wherever possible, in accommodation that is accessible and supports their rights to independence.
- 6.3 Previous consultation with tenants on the remodelling proposals has not raised any other equalities related issues.
- 6.4 The proposal supports Strategic Equality Objective 3: Improving Physical Access, Strategic Equality, Objective 5: Inclusive Engagement and Participation and Strategic Equality Objective 7: Supporting Age-friendly Communities.

7. FINANCIAL IMPLICATIONS

- 7.1 The Britannia Court WHQS improvements can be incorporated into the existing WHQS budget.
- 7.2 Core remodelling works would incur the following provisionally estimated costs with further costs anticipated for associated environmental improvements and unforeseen work. This level of investment would still not guarantee future demand:

Ty Melin	£1,720,000
Ynyswen	£ 820,000
Castle Court	£2,445,000
St Marys Court	£2,746,250
Waunfawr House	£1,174,000

- 7.3 The costs for the development of a replacement scheme in the event of a decision to close 3 of the aforementioned schemes have not yet been established. A comparable new build alternative for Castle Court however was estimated at £4,513,375 which will give some indication of the cost involved. This would be subject to a further report however, funding sources such as Affordable Housing Grant and the Health and Housing fund to deliver an innovative, combined health and housing project would be investigated. There would also be the potential to offset some of the cost by disposal of one or more of the sites. Considering a new build replacement option for 3 of the schemes will ensure future proofing and viability of the scheme for the coming years. A modernised approach could be considered which would be more appealing and beneficial to current and future tenants, meeting needs and aspirations. If we were to retain the 3 schemes and remodel or improve them, it is anticipated that we will still be in the same position in a few years time in considering their future due to their dated facilities, the age of the buildings and limitations on the modernisation options available to us.
- 7.4 The full cost of the remodelling proposals, if agreed, is approximately £8.9m plus a contingency of 10%. The proposed Asset Management Strategy identifies an allocation of £2m per year for remodelling (£10million for 5 years). If a decision is taken to incorporate all six schemes back into the current WHQS programme the cost is £5.795m which would need to be built into the programme, thereby impacting on borrowing levels.
- 7.5 The proposals for Tredegar Court and Hafod Y Bryn would potentially reduce the service charges for tenants. Hafod Y Bryn improvements would provide an additional unit for rental income.

- 7.6 Re-classification of Tredegar Court would remove the current requirement for the HRA to subsidise the kitchen service. It would also result in less income for the Catering Service however some of this could be offset with the take up of alternative meal provisions being provided by the Catering Service through Meals on Wheels.
- 7.7 The full decommissioning of the partly decommissioned schemes would result in a saving on the annual Tunstall contract for repairs and maintenance and any charges for work not covered by the contract. It would also prevent the requirement to service charge tenants in the future.
- 7.8 The rent loss for low demand units would reduce if schemes are remodelled however the consequential reduction in units would result in reduced rental income for these schemes. In addition, service charges would increase for the tenants as the costs would be spread across fewer tenants.
- 7.9 Reclassification of existing older persons stock would not have any detrimental financial implications, there would be a saving on management costs and service charges to tenants would be reduced if services are removed or varied.

8. PERSONNEL IMPLICATIONS

- 8.1 It is not anticipated that there would be any personnel implications at this time for the Older Persons Housing service.
- 8.2 Existing personnel would be required to support tenants that may be decanted as part of the remodelling process.
- 8.3 Consultation exercises would be required and subject to the availability of adequate resources, would be undertaken by existing personnel.
- 8.4 If any remodelling is approved, it is anticipated the work would be undertaken between 2020 and 2025 and could potentially be carried out by the in-house workforce to provide continuity for those employees post achievement of WHQS in 2020.

9. CONSULTATIONS

- 9.1 This report reflects the views of the consultees.
- 9.2 All local ward councillors for each of the communities with schemes affected by the remodelling proposals were invited to attend separate meetings to discuss, in detail, the outcome of the feasibility studies, reasons and recommendations for each scheme. Those councillors able to attend were supportive of the report and the preferred options being recommended. All councillors unable to attend these meetings were consulted in writing and invited to discuss any queries or concerns.
- 9.3 One ward councillor disagreed that there will be no guarantee of future demand for some of the six schemes considered for remodelling. The councillor also suggested the refurbishment of the existing building at Ty Darran for accommodating residents temporarily displaced by remodelling proposals however it is not anticipated that there will be any requirement to decant large numbers of residents in that locality. There is, therefore, no intention for Housing to seek to refurbish the existing building on the Ty Darran site to facilitate any decanting and any that may be required will be managed utilising existing stock.
- 9.4 The local ward councillors for each of the communities affected by reclassification and decommissioning proposals were consulted in writing in relation to proposals for properties in

their communities and invited to discuss any queries or concerns direct with officers. Those who responded to the consultation were supportive of the report proposals.

- 9.5 Britannia Court tenants will be informed of the proposal to undertake WHQS work as part of the sheltered housing programme of work if approved.
- 9.6 The sheltered housing tenants in the schemes identified for remodelling have previously been consulted on the principles of remodelling. A further update to tenants and follow up consultation will be provided following the outcome of this report.
- 9.7 Tenants in the Hafod Y Bryn sheltered housing scheme will be consulted and advised on future proposals if the recommendations are supported.
- 9.8 Tenants in Tredegar Court will be consulted and advised on options for future meal provisions and changes to services and future charges if the recommendation is supported. If not supported tenants in Tredegar Court will be consulted on a review of their service charges.
- 9.9 The tenants in the 4 partly decommissioned schemes will be consulted and advised on future proposals if approved. Face to face visits would be required to provide advice, progress the full decommissioning and install a fully dispersed alarm service.
- 9.10 The reclassification of older persons housing stock detailed in this report would not require consultation but face to face meetings would be held with those tenants affected to explain the reasoning behind the decision and to establish their intentions and support requirements.
- 9.11 There would be a legal requirement to serve a variation of tenancy notice to tenants where services are being removed or varied.

10. RECOMMENDATIONS

- 10.1 To consider the following proposed options for each scheme and provide comments for consideration by the Policy and Resources Scrutiny Committee and thereafter Cabinet:

10.1.1 BRITANNIA COURT

- (a) Retain and incorporate the current scheme into the current WHQS programme of work – estimated cost of £15k per unit (30 units) plus £500,000 for communal upgrades, totalling £900,000 for internal improvements only.
- (b) Retain and incorporate into the current WHQS programme of work, and decommission the external flat blocks from the scheme if feasible following further investigatory work and consultation with existing tenants – estimated cost as above plus the provision of dispersed alarms (8 units @ approx. £40 each) for the blocks of flats, totalling £900,320

Item (b) above would be the Officers preferred option for this scheme.

10.1.2 TY MELIN

- (a) Proceed with the WHQS partially compliant remodelling to provide 23 units at the aforementioned cost - £1,720,000.
- (b) Retain and incorporate into the current WHQS programme of work without remodelling – estimated cost of £15k per unit (33 units) plus £500,000 for communal upgrades, totalling £945,000 for internal improvements only
- (c) Agree to a programmed closure of the scheme and investigation of options for disposal or redevelopment of site

Item (a) above would be the Officers preferred option for this scheme.

10.1.3 YNYSWEN

- (a) Proceed with the partially WHQS compliant remodelling to provide 13 units at the aforementioned cost - £820,000.
- (b) Retain and incorporate into the current WHQS programme of work without remodelling – estimated cost of £15k per unit (19 units) plus £500,000 for communal upgrades, totalling £785,000 for internal improvements only.
- (c) Agree to a programmed closure of the scheme and investigation of options for disposal or redevelopment of site

Item (a) above would be the Officers preferred option for this scheme.

10.1.4 CASTLE COURT

- (a) Proceed with the fully WHQS compliant remodelling to provide 44 units (29 in main block) at the aforementioned cost - £2,445,000.
- (b) Proceed with the fully WHQS compliant remodelling at the aforementioned cost, and decommission the external flat blocks from the scheme if feasible following further investigatory work– estimated cost as above plus the provision of dispersed alarms (15 units @ approx. £40 each) for the blocks of flats, totalling £2,445,600.
- (c) Retain and incorporate into the current WHQS programme of work without remodelling– estimated cost of £15k per unit (56 units) plus £500,000 for communal upgrades, totalling £1,340,000 for internal improvements only
- (d) Retain and incorporate into the current WHQS programme of work without remodelling, and decommission the external flat blocks from the scheme if feasible following further investigatory work– estimated cost as above plus the provision of dispersed alarms (15 units @ approx. £40 each) for the blocks of flats, totalling £1,340,600
- (e) Agree to a programmed closure for the scheme and investigation of options for disposal or redevelopment of site
- (f) Agree to a programmed closure for the scheme for a replacement new build alternative as a replacement for 3 schemes and investigation of options for disposal or redevelopment of site – estimated new build cost £4,513,375

Item (f) above would be the Officers preferred option for this scheme.

10.1.5 ST MARYS COURT

- (a) Proceed with the fully WHQS compliant remodelling to provide 25 units at the aforementioned cost - £2,746,250.
- (b) Retain and incorporate into the current WHQS programme of work without remodelling – estimated cost of £15k per unit (33 units) plus £500,000 for communal upgrades, totalling £995,000.
- (c) Agree to a programmed closure for the scheme and investigation of options for disposal or redevelopment of site.

- (d) Agree to a programmed closure for the scheme for a replacement new build alternative as a replacement for 3 schemes and investigation of options for disposal or redevelopment of site – estimated new build cost £4,513,375

Item (d) above would be the Officers preferred option for this scheme.

10.1.6 WAUNFAWR HOUSE

- (a) Proceed with the partially WHQS compliant remodelling to provide 16 units at the aforementioned cost - £1,174,000.
- (b) Retain and incorporate into the current WHQS programme of work without remodelling– estimated cost of £15k per unit (22 units) plus £500,000 for communal upgrades, totalling £830,000.
- (c) Agree to a programmed closure for the scheme and investigate options for disposal or a redevelopment site.
- (d) Agree to a programmed closure for the scheme for a replacement new build alternative as a replacement for 3 schemes and investigation of options for disposal or redevelopment of site– estimated new build cost £4,513,375.

Item (d) above would be the Officers preferred option for this scheme.

- 10.2 To agree to the reclassification of the Hafod Y Bryn Sheltered Housing Scheme from Sheltered Housing to designated general needs and older persons housing, subject to consultation and technical feasibility and to convert communal facilities into a ground floor 3 bed flat.
- 10.3 To agree to the removal of the extra care classification from Tredegar Court thereby returning it to a sheltered housing scheme.
- 10.4 To agree to the full decommissioning of the 4 partly decommissioned schemes – estimated cost of providing dispersed alarm to 133 units £5,320 if required by the tenants.
- 10.5 To agree to the reclassification of older persons housing stock to general needs use at the specific locations mentioned within this report.
- 10.6 To agree to the delegated powers for Officers to re-classify older persons' accommodation to general needs using the principles identified in this report, in consultation with the Cabinet Member for Homes and Places.

11. REASONS FOR THE RECOMMENDATIONS

- 11.1 To ensure the future viability of sheltered housing and older persons' accommodation whilst meeting the needs and aspirations of current and future tenants.
- 11.2 To rationalise the numbers of sheltered housing units in the Risca/Crosskeys locality.
- 11.3 To address the low demand issues in sheltered housing and some older persons' accommodation.
- 11.4 To enable the authority to meet current and future housing demand for single persons general needs housing accommodation and improve the distribution of single persons housing across the County Borough.
- 11.5 To reduce the ongoing financial liability to the Council in relation to low demand, the provision of associated services and the consequential impact of these on tenants.

12. STATUTORY POWER

12.1 Housing Act 1985

12.2 Landlord & Tenant Act 1985

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Councillor Steve Skivens
Councillor Jon Scriven
Councillor Margaret Sargent
Councillor Lindsay Whittle
Councillor Andrew Whitcombe
Councillor Denver Preece
Councillor Adrian Hussey
Councillor Leeroy Jeremiah
Councillor Gary Johnston
Councillor Liz Aldworth
Councillor June Gale
Councillor Derek Havard
Councillor Graham Simmonds
Councillor Tom Williams
Stephen R Harris, Section 151 Officer
Nicole Scammel, Head of Corporate Finance
Lesley Allen, Principal Accountant
Suzanne Cousins, Principal Housing officer
Anwen Cullinane, Senior Policy Officer, Equalities and Welsh Language
Todd Rawson, Solicitor
Kevin Fortey, Housing Development Officer
Sandra Isaacs, Rents Manager
Mandy Betts, Tenant and Community Involvement Manager
Debbie Bishop, Area Housing Manager
Julie Reynolds, Area Housing Manager

Karen James, Neighbourhood Housing Manager
Tracy Lundy, Neighbourhood Housing Manager
Alyson Colman, Senior Sheltered Housing Team Leader
Claire Davies, Interim Private Sector Housing Manager
Mark Jennings, Housing Strategy Officer



SPECIAL CABINET – 12TH SEPTEMBER 2018

SUBJECT: PROPOSALS FOR INCREASING COUNCIL HOUSING SUPPLY

REPORT BY: CORPORATE DIRECTOR FOR EDUCATION AND CORPORATE SERVICES

-
-
- 1.1 The attached report is due to be presented to the Policy and Resources Scrutiny Committee on 6th September 2018.
 - 1.2 The views expressed at the meeting and the recommendations of the Scrutiny Committee will be reported verbally to Cabinet for consideration.

Author: A. Dredge, Committee Services Officer, Ext. 3100

Appendices:

Appendix A Report to the Policy and Resources Scrutiny Committee on 6th September 2018 – Agenda Item 9

Gadewir y dudalen hon yn wag yn fwriadol



**POLICY AND RESOURCES SCRUTINY COMMITTEE –
6TH SEPTEMBER 2018**

SUBJECT: PROPOSALS FOR INCREASING COUNCIL HOUSING SUPPLY

REPORT BY: CORPORATE DIRECTOR FOR EDUCATION AND CORPORATE SERVICES

-
- 1.1 The attached report will be presented to the Caerphilly Homes Task Group on 4th September 2018.
 - 1.2 The views expressed at the meeting and the recommendations of the Caerphilly Homes Task Group will be reported verbally to the Policy and Resources Scrutiny Committee.
 - 1.3 Members are asked to consider the contents of the report and make a recommendation to Cabinet.

Author: R. Barrett, Committee Services Officer, Ext. 4245

Appendices:

Appendix Report to Caerphilly Homes Task Group on 4th September 2018 - Agenda Item 8

Gadewir y dudalen hon yn wag yn fwriadol

CAERPHILLY HOMES TASK GROUP – 4TH SEPTEMBER 2018

SUBJECT: PROPOSALS FOR INCREASING COUNCIL HOUSING SUPPLY

REPORT BY: CORPORATE DIRECTOR FOR SOCIAL SERVICES AND HOUSING

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to advise Members of proposals for increasing the supply of council housing and to outline principles of development mechanisms and options for delivery.
- 1.2 Members are requested to consider the information within the report and provide views on the options to enable officers to further develop proposals resulting in a more detailed report to be brought forward for building new Council homes on specific sites, prior to consideration by the Policy and Resources Scrutiny Committee and thereafter Cabinet.
- 1.3 The report also includes proposals on other options which could be considered for increasing the supply of Council homes.

2. LINKS TO STRATEGY

- 2.1 The contents of this report link to the following key strategic objectives:
 - “Encourage the development and maintenance of high quality, well designed and efficient, sustainable homes and environments which can meet all needs.” (*Community Strategy: Living Environment – Objective 1*)
 - “Ensure an adequate and appropriate range of housing sites are available across the County Borough in the most suitable locations to meet the housing requirements of all sections of the population” (*Local Development Plan – Objective 9*)
 - There is a need to increase the number of affordable homes for purchase or rent (*Improving Lives and Communities – Homes in Wales – April 2010*)
 - Anti-Poverty Strategy CCBC which sets out a range of priorities to tackle poverty in the borough
 - The Wellbeing of Future Generations Act 2015 contains 7 wellbeing goals. When making decisions the act requires public bodies in Wales to take into account the impact they could have on people living their lives in the future:
- 2.2 The proposal contributes to the following Well-being Goals within the Well-being of Future Generations Act (Wales) 2015:
 - A sustainable Wales
 - A prosperous Wales
 - A healthier Wales
 - A more equal Wales
 - A Wales of cohesive communities

- 2.3 The Council's Corporate Plan 2018 – 2023 and more specifically Wellbeing Objective 3, address the supply, condition and sustainability of homes throughout the county borough and provide advice, assistance or support to help improve people's health and wellbeing.

3. THE REPORT

Housing Need

- 3.1 The Council's housing stock has been significantly depleted over the years as a result of the Right to Buy process and currently there are approximately 4,300 active applicants on the Common Housing Register seeking a transfer or the allocation of a home.
- 3.2 The following table provides a breakdown of these applicants by housing category, which clearly highlights that there is a need for an increase in general accommodation and in particular, smaller units of accommodation for single persons.

Household Composition	General Needs	OAP – Not selected sheltered	OAP – Selected Sheltered and OAP	OAP – Selected Sheltered Only	Total
Adult (single)	1386	342	353	52	2133
Adult (single) with access	81	2			83
Adult or couple plus 1 other	539	70	23		632
Adult or couple plus 2 other	323	10			333
Adult or couple plus 3 other	146	2			148
Adult or couple plus 4 or more other	75	1			76
Adult or couple with child expected	73				73
Couple with access	9	1	1		11
Couple with no children	247	321	218	21	807
NULL	1				1
Grant Total	2880	749	595	73	4297

- 3.3 The number of homelessness presentations to our offices in Caerphilly have increased threefold over the last 2 years and whilst to date we have been very successful in preventing homelessness in many cases, it is apparent that the majority of presentations have been from single persons which supports the evidence that there is a lack of suitable smaller units of accommodation available in the county borough.
- 3.4 Work is nearing completion on our Local Housing Market Assessment and data gathered suggests that an additional 282 units of affordable housing are required per annum to meet demand and also recognises that there is a particular demand for single person accommodation.
- 3.5 This information can be broken down as follows:-
 169 social rented units.
 113 intermediate units, e.g. intermediate rent and low cost home ownership.
- 3.6 The CCBC Local Development Plan up to 2021, identifies an affordable housing target of 964 units to be delivered through the planning system using Section 106 Agreements on qualifying sites. The delivery of affordable housing through the planning system will make a contribution towards meeting housing need.
- 3.7 As of the 2017 Annual Monitoring Report, 251 affordable units had been built since the start of the plan period, which is less than a third of the overall target. A detailed report

on “Affordable Homes in New Developments” was submitted and considered by Policy and Resources Scrutiny Committee on the 10th April 2018.

- 3.8 Whilst the council has worked very successfully with its Housing Association partners to deliver new affordable housing, there has been no new council housing development mainly due to funding limitations. However, in order to maximise opportunities to contribute to Welsh Government’s ambition to build 20,000 additional affordable homes in Wales by 2020, new funding proposals have been made available by WG and the Housing Business Plan indicates that the Housing Revenue Account could support new developments.
- 3.9 Welsh Government has recently announced that the Housing Finance Grant programme will be extended to Local Authorities to support opportunities for new build Council housing. This is known as Affordable Housing Grant (AHG) (Formerly part of Housing Finance Grant Phase 2). The previous HFG grant only allowed Housing Associations to access the grant.
- 3.10 Where such developments can be undertaken without the authority incurring any land purchase costs e.g. HRA owned land, then the capital cost of the scheme considered for AHG will be reduced by 20%. The proposals contained within Table 1 of this report only includes schemes for development on HRA owned land, therefore the figures quoted have been reduced accordingly. WG have also indicated that the AHG could also be utilised to purchase existing properties, e.g. empty homes, to support these being brought back into beneficial use.

Affordability

- 3.11 The potential new housing units would form part of the Councils Housing Revenue Account (HRA) stock allocation and would be managed and maintained under the statutory ring-fenced account criteria that is followed for all existing council house stock. It should be noted, however, that the AHG will be paid to the Authority over a 30 year period and so the Authority needs to secure 100% of the capital costs to facilitate the commencement of any development. The total cost of any borrowing will need to be incorporated within the Housing Business Plan which must remain financially viable and must also be included within the current borrowing cap limits recently imposed on the HRA. In order to comply with the funding criteria, all developments must be approved by WG before March 2020. WG are currently considering extending borrowing cap levels to support new developments, but at the time of writing this report no decision has been made.
- 3.12 The latest business plan submitted to Welsh Government suggests that there is scope within the HRA borrowing cap to consider new build and/or acquisition options as well as fund the WHQS programme.
- 3.13 The HRA borrowing cap is £180m which includes pre-existing historical debt and the debt for the recent subsidy buy out. The borrowing for WHQS currently allows for some £34m (19%) flexibility before the cap is breached, based on projections to the end of the WHQS programme in 2020. Also the full cost of any development is taken against our borrowing limits even though only 42% of the build cost is the actual cost to the HRA.
- 3.14 In order to deliver the full programme identified in Table 1, a total investment of £4,974,500 would be required and is deemed to be affordable within the Business Plan based on the assumptions made within item 3.18 of this report. However, whilst the Affordable Housing Grant (AHG) would fund 58% of the build cost, in order to comply with the grant conditions the schemes would need to commence on site prior to the 31st March, 2019, in order to receive this year’s allocation. Due to the timescales involved, the requirement for feasibility studies to be undertaken, planning approval to be

obtained and a procurement process to appoint a developer, it would not be possible to access this year's allocation for new developments.

- 3.15 Caerphilly's allocation of AHG for 2019/20 is £1,812,867 and it is therefore proposed that feasibility studies be carried out for all sites listed in Table 1 to determine which of these could be progressed in line with the grant conditions.
- 3.16 Members must be advised however that the WHQS programme is a moving programme that evolves daily as condition surveys on our existing stock are carried out. There is a regular re-profiling review to ensure resources are in place to meet the works required. Weather conditions and contract performance are also drivers for the success of completing the programme by the statutory deadline.
- 3.17 HRA balances are fully committed towards the WHQS Programme together with borrowing requirements of some £45m. Therefore to fund new development and/or acquisitions further borrowing will be required.
- 3.18 The maximum borrowing of £34m would be affordable by the HRA, but this is based on the following assumptions which are outside the direct control of officers or members and therefore they could be subject to change.
- General inflation over the five years up to 2025 has been assumed as 2%. This is based on the UK government's current inflation, but could be subject to change due to the economic climate, Brexit, legislation, etc.
 - Rent increases are projected at 3.60% for the 2018/19 financial year in order to comply with WG rent policy, but this has then been reduced to 3% for each subsequent year. A new rent policy is awaited from WG so at this time rent increases are difficult to predict, although there has been a significant reduction in England.
 - A provision for bad debt, including void rent loss, has also been incorporated into the projections. 6% has been allowed for within 2018/19, but this has been increased to 7% for the following years, to take into account the implementation of Universal Credit and increased levels of financial hardship on our customers.
 - Staff costs have been assumed to rise by 2% over the next 4 years but increased to 2.5% from year 5.
 - Maintenance and construction cost increases of 3% have been incorporated into the business plan, which again is built on historical and current trends. Such increases are subject to market conditions, legislation and Brexit, so are difficult to predict with any certainty.
 - A future asset management programme has been costed and budgeted for within the plan, based on historic actual costs and projected future workload. This includes £14m for our general asset maintenance programme, £2m for remodelling one of our sheltered housing schemes each year, £1m per annum for carrying out works of adaptation to our properties based on tenants' specific needs, £2m to support energy efficiency initiatives and provide match funding to possible WG grants and a £1m contingency budget for unforeseen requirements. This equates to a total allocation of £20m p.a. for the delivery of an asset management programme from 2020-25. Obviously the above projections are also linked to the previous assumptions made, so could be subject to change.
- 3.19 In this respect a cautious phased approach is being proposed based on the Business Plan projections made up to 2025 only. This will hopefully limit the impact of any

unforeseen changes on our plan. The plan will continue to be reviewed on an annual basis.

4. OPTIONS FOR INCREASING COUNCIL HOUSE SUPPLY

Potential Sites for Delivery

- 4.1 A selection of potential development sites are provided in Table 1, but these are subject to detailed feasibility studies being undertaken to ensure the sites are viable and will be subject to planning approval. If the sites are supported and feasible, these homes could be delivered in line with the needs identified within the Council's Local Housing Market Assessment and the Common Housing Register.

Table 1 – HRA Council New Build Sites prioritised by housing need, land availability and deliverability.

Site	Number Of Homes	Estimated Total AHG	Estimated Build Cost
Penyrheol – Phase 1	7	£462,260	£797,000
Trecenydd	6	£341,040	£588,000
Penyrheol – Phase 2	15	£900,450	£1,552,500
Risca - Phase I	12	£840,420	£1,449,000
Blackwood	6	£341,040	£588,000
Total	46	£2,885,210	£4,974,500

HRA Purchase Land from General Fund/Open Market

- 4.2 There is the option for the HRA to purchase General Fund or private land at market value or provide a leasing option with the land providing a revenue income stream for the General Fund. The leasing model is currently being piloted at the Watford Road site and has been approved for the Windsor Colliery development, although these leasing arrangements have been agreed with the Council and a local RSL partner.
- 4.3 Potential development sites have been identified and will be considered in consultation with the Interim Head of Property, the Cabinet Member for Homes and Places and relevant ward members, e.g. Ty Darren.
- 4.4 Some sites in the Risca area offer potential to develop a new sheltered housing scheme rather than progress the remodelling of three existing schemes in Risca. There may also be the opportunity to work collaboratively with the Health Board and Social Services on the Ty Darren site which could extend development opportunities. The cost of a new sheltered scheme is anticipated to be in the region of £6m, which is similar to the remodelling of the three schemes, however such a proposal could also be supported by the AHG or alternative grants such as the Innovative Housing Grant, Health and Housing Programme.

Redevelopment of Existing HRA Sites

- 4.5 In order to meet changing demand and ensure that our housing stock continues to be fit for purpose, it may be more economical to demolish some of our existing stock and redevelop the site. Examples include some of our sheltered housing schemes, which is covered in more detail in a separate report, but may also include other stock such as blocks of flats, e.g. Lansbury Park. As undertaken with the sheltered housing schemes, these options would require feasibility studies and separate reports to be submitted on any proposals.

Section 106 Agreements

- 4.6 There is an option to deliver Council homes through the planning s106 route. This would mean that private sector developers could be required to transfer homes at the values contained within the Council's Supplementary Guidance on Affordable Housing. These homes would be developed without the need for Welsh Government Grant. This would add to the Council's existing Social Housing stock. Examples of sites which could lend themselves to such an option include the former Oakdale school site and the Pontllanfraith council office site.
- 4.7 A similar approach could also be adopted by agreement with developers whereby the Council could agree to purchase properties directly from the developer, which may assist with the financial viability of a scheme. This could be outside of the Section 106 Agreement process and therefore an individual business case would need to be considered for any potential project.
- 4.8 The benefit of this approach is that there would be no staff resource or procurement implications. The developer would deliver a pre-determined number of properties based on our specification requirements and transfer these to the Council at the current values which are indicated below:-

Discounted Fixed Values for Social Rented Units		
Unit Type	Type	Values
1 Bed 1 Person	Flat	48704
1 Bed 2 Person	Flat	48723
2 Bed 3 Person	Flat	55121
2 Bed 3 Person	House	67372
2 Bed 4 Person	House	67391
3 Bed 4 Person	House	67742
3 Bed 5 Person	House	67722
4 Bed 6 Person	House	82239
4 Bed 7 Person	House	82219
2 Bed 3 Person	Bungalow	69055
3 Bed 5 Person	Bungalow	82239

Acquisition of Existing Properties

- 4.9 The existence of empty properties is a national problem which is often not only a waste of a much needed resource at a time of increasing housing demand, but can also result in complaints and problems with anti-social behaviour. There is the potential for the

HRA and AHG to support the purchase of existing private properties, including former Council owned properties which were sold through the right to buy process. Such acquisitions should be of a type and location that supports Caerphilly Homes' ability to meet housing need and provides value for money in terms of purchase costs and future maintenance when these assets come into the Council's housing stock. Currently demand is for smaller units of accommodation particularly in the mid and south of the county borough and could encompass commercial premises.

- 4.10 This process may also assist the aim of bringing empty properties within the county borough, which have willing vendors, back into beneficial use. This will not only assist in meeting housing demand, increase options for addressing homelessness, but also improve the street scene and our communities as a whole, as well as regenerating areas, including our town centres. These areas could be the particular focus of such an acquisition, but demand is subject to change and such an agreement would need to be flexible to accommodate such a change.
- 4.11 These suggestions would be subject to acceptable business cases being developed in consultation with the Cabinet Member for Homes and Places to support such acquisitions to contribute towards meeting housing need, improving/regenerating communities and addressing customers' specific needs, e.g. accessible housing, the AHG could be used to support such acquisitions.

Specification of Homes

- 4.12 The specification used to design the new Council homes will be key to the success of the new build programme. The specification of works will affect:
- The build and material costs.
 - The cost of heating, lighting and living in the home for future tenants.
 - The Authority's ability to attract grant funding from WG to help fund the building of the new homes.
 - Energy efficiency performance and carbon emissions.
 - Future ongoing maintenance and repair costs.
 - New build delivery timescales.
- 4.13 In order to comply with the AHG requirements, the homes will need to be built to a minimum standard of:
- Design Quality Requirements (Which exceeds WHQS)
 - Lifetime Homes
- 4.14 Furthermore, any opportunities to provide digital technology will be maximised in order to offer "homes for life" thereby positively contributing to the wider health preventative agenda.

Possibilities for Alternative Funding

- 4.15 There are potential options for the delivery of exemplar projects through WG's Innovative Housing Programme. This would depend upon funding becoming available within the timescales. The allocation of such funding would require a specific project bid with high specification energy efficient homes having an increased likelihood of success.
- 4.16 WG has issued a health and housing programme and this fund has the potential to assist with the delivery of a combined housing and health scheme. Both funds are time limited and linked to the delivery of schemes by March 2021. The funds are available to assist with the delivery of the 20,000 affordable homes target so a scheme would need to be developed which attempted to maximise on the funding options currently available. This source of funding may be particularly applicable to the previous proposal made for the Risca area.

- 4.17 Once a site is identified, a development is likely to take between 18-24 months to construct. These opportunities could also deliver an innovative, combined health and housing project for older people/persons within the County Borough.
- 4.18 The development option chosen by the Authority for building new Council homes could have a significant impact on value for money and maximising the wider benefits of the investment by keeping the pound (£) local, creating jobs and training opportunities, promoting sustainable communities and supporting the local supply chain.

5. PROCUREMENT OPTIONS FOR NEW DEVELOPMENTS

- 5.1 Based on the Council utilising the AHG, the development approach would be subject to compliance with procurement legislation, but may include one or a combination of five main options. These are summarised in **Table 2** below:

Table 2 – Development Options for AHG

Option	Comment
<p>Option 1</p> <p>Utilising the services of a Housing Association</p>	<p>Our current zoned Housing Association partners are already experienced in the field of housing development and may be in a position to project manage schemes on behalf of the Council. This however would require a procurement process to be undertaken and confidence that the H.A. has the capacity to deliver.</p>
<p>Option 2</p> <p>Open Market Approach</p>	<p>Specialist house building design, project management developers would be invited to tender for the schemes on the open market.</p> <p>The procurement process would take between 9 to 12 months to secure a contractor, but resources would be required to develop an initial project specification.</p> <p>This appointment process would need to be repeated for each scheme unless a specific framework was created. Development of smaller sites could support the use of Small/Medium Enterprises (SME's).</p> <p>Allocations for the new homes would be via the Common Housing Register.</p> <p>As part of the social inclusion clause within the contract, the successful contractor could deliver a training programme for apprenticeships as well as permanent job opportunities. Apprenticeship transfer option.</p>
<p>Option 3</p> <p>Creating an in-house Council House Building Team</p>	<p>The Authority would need to establish a new in-house design and project management and building team. Whilst we have an experienced Building Consultancy section, this Authority has never built Council homes and consequently currently lacks expertise/resources in the delivery of new build housing.</p> <p>The funding is time limited and there is no indication of future</p>

	<p>funding being forthcoming, in which case any in-house team would need to be set up quickly. The establishment of such a team would require substantial additional resources</p> <p>The Council houses could be delivered by a project manager (e.g. Building Consultancy) and monitored by Caerphilly Homes which would require additional resources. Allocations for the new homes would be via the Common Housing Register.</p>
<p>Option 4</p> <p>Arms Length Development Company</p>	<p>Some Welsh Authorities have already developed ambitious plans to deliver Council Housing. For example, a model has been developed by Flintshire County Council called Strategic Housing and Regeneration Programme (SHARP). An integral element of SHARP is to support the achievement of the strategic objectives of Flintshire Council's regeneration strategy:</p> <p style="text-align: center;"><i>"a competitive Flintshire; sustainable communities and the creation of employment and skills".</i></p> <p>This initiative includes a number of training and apprenticeship opportunities for local people and, having already built approximately 40 homes. It should be noted, however, that although this initiative is an option for consideration by Caerphilly CBC, its development at Flintshire was extremely lengthy.</p> <p>Allocations for the new homes would be via the Common Housing Register.</p>
<p>Option 5</p> <p>Existing Frameworks</p>	<p>Investigate possibilities for using existing frameworks to design and project manage development sites or provide a complete design and build service. This may not support the use of local SME's.</p>

5.2 If members are minded to support the development of new council housing it is proposed that this be progressed in a phased way due to the impact of financial and staff resources. Officers therefore recommend that Options 2 and 5 should be the preferred approach, subject to further detailed reports being submitted on specific schemes.

5.3 Proposals to increase the supply of Council homes within the borough present a unique opportunity to create opportunities for residents who are currently unemployed or economically inactive. As a result, a suite of core and non core community benefits will be included into any contracts that are awarded thereby requiring the contractor, not only to deliver new homes, but also to create new employment opportunities, work placements and apprenticeships that, where appropriate align with the Council's WG funded employment support programmes. The creation of new Council homes would also present an opportunity for those who are NEET and furthest from the labour market to participate in a shared apprenticeship programme which could form one element of the Council's apprenticeship scheme currently under development. Additional community benefits could include the transfer of business acumen between contractors and local schools, a community fund and local schools / colleges benefiting from an enhancement to the Careers Wales Business Class programme.

6. WELL-BEING OF FUTURE GENERATIONS

- 6.1 This proposal contributes to the Well-being Goals as set out in Links to Strategy above. The proposal is also consistent with the five ways of working set out in the sustainable development principle, as defined in the Act. The proposal is integrated in that it contributes to a number of the Well-being goals and supports the objectives of other stakeholders within the community. Implementation of the scheme exemplifies collaboration and involvement across organisational boundaries; working together for the good of our communities in pursuit of shared objectives.
- 6.2 The developments will provide long term investment within communities, protecting (as far as possible) and improving the local environment and infrastructure for the future. The developments will bring an emphasis on sustainable construction and Targeted Recruitment and Training that will enhance employment prospects and skills of local people, particularly the young and those at a disadvantage, and promote equality of opportunity. The initiative as a whole will assist in meeting the Welsh Government's target of building 20,000 affordable homes by 2020, thereby preventing problems associated with the lack of affordable housing from escalating.

7. EQUALITIES IMPLICATIONS

- 7.1 An EIA screening has been completed in accordance with the Council's Strategic Equality Plan and supplementary guidance. No potential for unlawful discrimination and/or low level or minor negative impact has been identified; therefore a full EIA has not been carried out.

8. FINANCIAL IMPLICATIONS

- 8.1 To utilise the AHG funding, the total amount required for any development/acquisition must be made available from the HRA/borrowing as the total capital cost. Housing will then receive a revenue contribution from W.G. to fund the borrowing which will be paid annually over a 30 year period. Members will be aware of the Council's priority to achieve the Welsh Housing Quality Standard (WHQS) by 2020 and this must remain the priority regardless of new initiatives that could divert financial resource away from the WHQS programme.
- 8.2 Whilst WG have made an allocation of AHG available to authorities this financial year, CCBC like many other authorities, are not in a position to meet the grant conditions for new developments within 2018/19.
- 8.3 The Housing Business Plan up to 2025 has been populated using current rates, plus inflation for each year and based on the proposed asset management delivery plan. This includes anticipated expenditure per annum on statutory maintenance, reactive repairs, asset maintenance programme, remodelling sheltered schemes, works of adaptation and energy improvement works.
- 8.4 The asset management strategy assumes the completion of the WHQS programme by 2020 and sets out proposals for ensuring the standard is maintained thereafter. The projections made within the Business Plan will be subject to the strategy being approved as proposed, but if any changes are made to the strategy, the Business Plan will need to be reviewed and updated accordingly.
- 8.5 Prudent measures at this time may be to tackle a small number of new build projects that will not greatly impact on the borrowing cap flexibility or affect our ability to achieve the WHQS programme. This will also give the Council an opportunity to test the new

grant while it is in its infancy, develop the required contact arrangements for delivery and undertake detailed feasibility studies on specific sites.

- 8.6 At the time of writing this report WG are also currently reviewing the borrowing cap limitations and it is possible that the cap could be increased for those authorities committed to developing new homes.

9. PERSONNEL IMPLICATIONS

- 9.1 Currently there is insufficient resource capacity within Caerphilly Homes to progress the development of new Council homes. The resources required would depend on the preferred option chosen from Table 2 for the development of schemes.

10. CONSULTATIONS

- 10.1 The views of consultees have been included within the report.

11. RECOMMENDATIONS

That Members consider the following and provide comments for consideration by the Policy and Resources Scrutiny Committee and thereafter Cabinet :-

- (1) Agree to the principle of building new council homes and access the AHG in full or in part.
- (2) Agree the HRA sites to progress with detailed viability studies and agree the principle of identifying and pursuing suitable General Fund or open market sites for the development of affordable housing.
- (3) Agree to the transfer and purchase of new homes through Section 106 agreements where there is an identified housing need and associated business case.
- (4) Agree to the selective acquisition of existing properties to support housing need and subject to value for money being demonstrated, as set out in item 4.7 and 4.8 with individual acquisitions being progressed in consultation with the Cabinet Member for Homes and Places.
- (5) Agree to a review of resources to support the preferred approach.
- (6) Consider the report and the delivery options outlined and provide guidance on the officers' preferred Options 2 and 5 with the aim of the Council accessing AHG and delivering new council homes within the stated timeframes, i.e. 2019/20.
- (7) Agree to the submission of future reports for approval providing more detail on any viable development sites for new Council home provision.

12. REASONS FOR THE RECOMMENDATIONS

- 12.1 To utilise the AHG funding that has been made available by Welsh Government by 2020 and assist Welsh Government to achieve 20,000 homes.
- 12.2 To increase the supply of Council homes that meet with the needs identified within the Council's Local Housing Market Assessment and Common Housing Register.

13. STATUTORY POWER

Section 9, Housing Act 1985.

Author: Shaun Couzens, Chief Housing Officer
(Tel: 01443 864208/01443 861407, Email: couzes@caerphilly.gov.uk)

Consultees:	Cllr Lisa Phipps	Cabinet Member for Homes and Places
	Christina Harrhy	Interim Chief Executive
	Dave Street	Corporate Director of Social Services & Housing
	Stephen Harris	Interim Head of Corporate Finance
	Lisa Lane	Interim Monitoring Officer
	Fiona Wilkins	Public Sector Housing Manager
	Claire Davies	Interim Private Sector Housing Manager
	Kevin Fortey	Housing Development Officer
	Rhian Kyte	Head of Regeneration & Planning
	Tim Stephens	Development Control Manager

Appendices: Appendix 1 – Business Plan Summary
Appendix 2 – Business Plan Assumptions

Caerphilly County Borough Council
HOUSING BUSINESS PLAN 2018/19
Major Repairs and Improvements Financing

Appendix 1

Year	Year	Expenditure					Financing					Total Financing	
		Catch up Repairs	Planned Maint	Improvements	Other	Total Expenditure	Borrowing	RTB Receipts	Other	Repairs Account	RCCO		
		£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000
1	2018.19	0	55,801	0	0	55,801	20,700	881	7,347	0	26,873	55,801	
2	2019.20	0	46,972	0	0	46,972	22,903	0	7,347	0	16,722	46,972	
3	2020.21	0	20,000	0	0	20,000	0	0	7,347	0	12,653	20,000	
4	2021.22	0	20,000	0	0	20,000	0	0	7,347	0	12,653	20,000	
5	2022.23	0	20,000	0	0	20,000	0	0	7,347	0	12,653	20,000	
6	2023.24	0	20,000	0	0	20,000	0	0	7,347	0	12,653	20,000	
7	2024.25	0	20,000	0	0	20,000	0	0	7,347	0	12,653	20,000	

**HRA Business Planning
CAERPHILLY
2018/19**

Borrowing Capacity: £ 180,063,561

		Opening HRA CFR	New Borrowing	MRP and Other Repayments	Closing HRA CFR	Borrowing Capacity	Borrowing Capacity %
Audited	2016/17	116,511,556	-	3,514,481	112,997,075	67,066,486	37%
Forecast	2017/18	112,997,075		3,310,841	109,686,234	70,377,327	39%
1	2018/19	109,686,234	20,700,000	4,836,800	125,549,434	54,514,127	30%
2	2019/20	125,549,434	22,900,000	2,510,989	145,938,445	34,125,116	19%
3	2020/21	145,938,445		2,918,769	143,019,676	37,043,885	21%
4	2021/22	143,019,676		2,860,394	140,159,283	39,904,278	22%
5	2022/23	140,159,283		2,803,186	137,356,097	42,707,464	24%

Borrowing capacity is dependent on the assumptions in the Business Plan and the level of borrowing required to meet WHQS.

HRA CAPITAL PROGRAMME

	<u>2018/19</u>	<u>2019/20</u>
In House		
Internals	9,487,931	7,396,748
Externals	-	-
Sheltered	4,129,030	2,917,942
Contractor		
Internals	3,583,799	1,105,312
Externals	16,879,423	10,466,392
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Direct Works Programme	34,080,183	21,886,394
	9,664,696	14,497,044
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	43,744,879	36,383,438
<i>Other</i>		
Contingency (direct works)	3,408,018	2,188,639
Env works	3,600,000	3,600,000
Adaptations	800,000	800,000
Voids	1,000,000	1,000,000
Garages	500,000	500,000
Fees	2,748,055	2,500,000
	12,056,073	10,588,639
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	55,800,952	46,972,077
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Area	Assumption	Rate / Value	Comment
General	General inflation rate	2%	As per UK Governments current inflation and WG business planning guidance
Rental Income	Rent increases 2018/19	3.60%	This is the minimum increase to ensure CBBC rent target level is met
	Rent increases beyond 2018/19	3%	CPI (at 2%) plus 1% as per current rent policy
	Void provision	6%	rising to 7% yr 2 & 3 to meet expectation of high arrears due to UC rollout. Currently voids & bad debt is 4.88%.
	Bad debt provision		Included in above
	Expected Universal Credit roll out date		September 2018
Costs	Staff cost increases	2%	Due to historical low pay awards 2% is deemed sufficient for the plan but this increases to 2.5% from yr 5
	Maintenance cost inflation	3%	To allow for material increases
	WHQS cost inflation	3%	To allow for material increases
	Construction cost inflation	3%	To allow for material increases
Debt	Debt pools		External treasury management consultants have advised a one pool approach
	CRI/MRP rates		CRI as per Treasury Management modelling. MRP 2% on all debt
Planned Maintenance (Post WHQS)	Planned Maintenance	£14m	Indicative budget of £20m set for 5 years post WHQS, based on affordability and current spend profile using actual average costs.
	Sheltered Remodelling	£2m	
	Adaptations	£1m	
	Energy Efficiencies	£2m	
	Contingency	£1m	
	TOTAL	£20m	

Deviations to any of the above assumptions will impact on the affordability of the Business Plan resulting in a change to the borrowing requirements which in turn will affect the borrowing capacity.

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