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**Date: 11th February 2015**

Dear Sir/Madam,

A meeting of the **Caerphilly Homes Task Group** will be held in the **Sirhowy Room, Penallta House, Tredomen, Ystrad Mynach** on **Thursday, 19th February, 2015** at **5.00 pm** to consider the matters contained in the following agenda.

Yours faithfully,

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

**Chris Burns**  
INTERIM CHIEF EXECUTIVE

## A G E N D A

	Pages
1 To receive apologies for absence.	
2 Declarations of interest.	
Councillors and Officers are reminded of their personal responsibility to declare any personal and/or prejudicial interest(s) in respect of any item of business on this agenda in accordance with the Local Government Act 2000, the Council's Constitution and the Code of Conduct for both Councillors and Officers.	
To approve and sign the following minutes: -	
3 Caerphilly Homes Task Group (WHQS) Minutes held on 11th December 2014 (minute nos. 1-9).	1 - 4

To receive and note reports subject of Officer delegated decision but referred to CHTG for consultation:

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4	Local Employment Fund - Supporting Lift.	5 - 8
5	Community Safety - Target Hardening and Support Victims of Anti-Social Behaviour and Domestic Violence.	9 - 12
To receive and note the following information items: -		
6	Code of Conduct for Tenant Representatives on The Caerphilly Homes Task Group.	13 - 20
7	Decision for the Authority to Buy Out of Housing Revenue Account (HRA) Subsidy Arrangements.	21 - 40
8	Procurement Update Report.	41 - 56
9	HRA Staff Turnover Report 2013/14.	57 - 60
10	Pan Gwent Domestic Abuse Project.	61 - 68
11	Cyd Cymru Collective Energy Switching Scheme.	69 - 80
12	To receive any requests for an item to be included in the next available agenda.	

**Circulation:**

Task Group Members: Mrs D. Moore, Ms G. Green, Mr M. McDermott, L. Ackerman, Mr C. Davies (Vice Chair), R.T. Davies, K. James, Mrs B. A. Jones, G. Jones, Ms S. Jones, Ms A. Lewis, C.P. Mann, Mr J. Moore and Mrs D. Price (Chair),

And Appropriate Officers



## CAERPHILLY HOMES TASK GROUP (WELSH HOUSING QUALITY STANDARD)

MINUTES OF THE MEETING HELD AT PENALLTA HOUSE, YSTRAD MYNACH  
(SIRHOWY ROOM) ON THURSDAY, 11TH DECEMBER 2014 AT 5.00 P.M.

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PRESENT:

Mrs D. Price - Chair  
C. Davies- Vice Chair

### Task Group Members:

R.T. Davies, Mrs G. Green, K. James, Mrs S. Jones, Ms A. Lewis, M. McDermott,  
Mrs D. Moore, J. Moore.

S. Couzens (Chief Housing Officer), P. Davy (Head of Programmes), P. Smythe (Housing Repair Operation Manager), R. Thornett (Tenancy Enforcement Manager), K. Watkins (Communications & Tenant Engagement Officer) and C. Evans (Democratic Services Officer).

### 1. APOLOGIES

Apologies for absence were received from Councillors L. Ackerman, Mrs B.A. Jones, G. Jones, C.P. Mann and Mrs D. Moore.

### 2. DECLARATIONS OF INTEREST

Ms. A. Lewis, Mr. C. Davies, Ms. G. Green, Mrs S. Jones and Mr. M. McDermott as Council Tenants declared a personal but not prejudicial interest in all agenda items.

### 3. MINUTES – 30TH OCTOBER 2014

RESOLVED that the minutes of the meeting held on the 30th October 2014 be approved as a correct record and signed by the Chair.

### 4. RESPONSE REPAIR POLICY

P. Smythe, Housing Repair Operation Manager provided a report, which informed the Task Group on the implementation of the Response Repairs Policy for all Council properties.

The report proposed to introduce a Response Repairs policy document to replace the former 2004 policy statement, which was more of a staff training and procedure manual and included a policy statement. The original document was not intended to provide information for tenants and as such was not made available on the Council's Internet website.

The Response repairs are defined in the policy, as repairs, which are required by tenants to existing elements of their property and tenants, need to be aware of the arrangements the Council has in place for providing this service.

The report also highlighted its commitment to providing an effective and responsive housing repairs and maintenance service in order to ensure high levels of tenant satisfaction along with protecting the value of its housing stock.

The Task Group considered the report and recommendations and were pleased with the Policy.

Following consideration it was moved and seconded that the Caerphilly Homes Task Group supported the introduction of a Response Repairs Policy, prior to consideration by the Policy and Resources Scrutiny Committee and thereafter, Cabinet. By a show of hands, this was unanimously agreed.

## **5. REVIEW OF WHQS INVESTMENT STRATEGY AND HRA CAPITAL PROGRAMME 2015/16**

The report advised the Caerphilly Homes Task Group on a revised investment strategy and set out the HRA capital programme budget for 2015/16.

Major slippage during the 2014/15 financial year has necessitated a review of the investment strategy over the remaining five years of the programme. The slippage will cause additional pressure due to the increase in the volume of properties that will need to be completed over a shorter timescale. In order to maintain the principle of separation of internal and external works there are a large number of community area sequence changes, mainly affecting the external works. The HRA capital programme budget indicates the necessary resources based on the Savills cost plan to deliver the programme during 2015/16 to meet the revised WHQS Investment Strategy.

The Task Group thanked the Officer for the report and discussion ensued, in which concerns were raised over the quality of works and achievability of the programme. Officers acknowledged that the completion numbers were high, however, when the total figures are broken down, including all contractors, the figures appear more achievable. The Task Group noted that additional staff, including Clerk of Works are being employed in order to assist with the programme and ensure that the work is completed on time and to a high standard.

The Task Group discussed the Tenant Surveys, which were conducted in various areas following completion of works. Tenants had raised concerns about the length of time it had taken for the surveys to be sent out. A number of issues were fed back to the Task Group and it was suggested that the information be supplied to Officers in order to address these issues with the tenants.

Having fully considered the report and the recommendation contained therein, it was moved and seconded that the Caerphilly Homes Task Group recommend that the Policy and Resources Scrutiny Committee support the revised investment strategy and the capital programme for 2015/16 that flows from the strategy, prior to consideration by Cabinet. By a show of hands, this was unanimously agreed.

## **6. COMMUNICATIONS UPDATE.**

K. Watkins, Communications & Tenant Engagement Officer, provided the Caerphilly Homes Task Group with an update on communications activities undertaken over the previous year, along with plans for 2015.

It was noted that a great deal of work has taken place over the past year to raise the profile of Caerphilly Homes, both internally and externally, through a variety of methods and media. A number of new initiatives have been implemented, alongside the continuation and enhancement of existing communications activities.

A key priority for the coming year will be the establishment of a mixed stakeholder-working group to oversee a full-scale review of communications across Caerphilly Homes; the findings of which will form the basis for a revised communications strategy.

The Task Group congratulated Officers on the work so far and sought further information on the stakeholder-working group. Officers explained that this would be considered after Christmas, however, Officers are keen to have the involvement of the Armchair Reviewers for the project, along with new and experienced tenants.

The Task Group suggested that the newsletter distributions be increased above the current 2 newsletters a year. Officers highlighted that these are the most costly form of communications and the team are considering a number of other options in order to effectively communicate with tenants in a more cost effective fashion

The Caerphilly Homes Task Group noted the report.

#### **7. HRA STAFF TURNOVER REPORT 2013/14**

The Caerphilly Homes Task Group agreed to defer this item to a later meeting date.

#### **8. DOMESTIC ABUSE POLICY**

R. Thornett, Tenancy Enforcement Manager, provided an overview of the report and demonstrated available equipment, in response to a request for information on the Housing Policies in place to prevent offences relating to Domestic Abuse.

The report provided the Task Group with details of any new information and anticipated changes in the near future, along with details of the Domestic Abuse Policy for Caerphilly Homes. The Policy is contained within the Statement of Policy and Procedure for Anti-Social Behaviour, as domestic abuse cannot be tackled by one lone agency and makes reference to the key agencies involved in addressing, responding to and tackling domestic abuse throughout Caerphilly.

The Domestic Abuse Policy is intended as a cross-reference to all other Housing policies and procedures, which enables users and staff to readily access the information when required.

The Task Group thanked the Officer for the report and discussed the Policy. Officers highlighted that the Policy is in need of updating, however, the Welsh Assembly are considering the legislation and therefore, Policies will be updated when the Legislation is available.

A Task Group Member sought further information on how Housing Policies are supporting Domestic Abuse and added that a dedicated team should be assigned to deal with Domestic Abuse. Officers highlighted that the Domestic Abuse Policy is in place alongside other Housing Policies and is taken into considerations in Housing aspects such as allocations.

Following in depth discussion and consideration, the Caerphilly Homes Task Group noted the report.

## 9. WHQS MONITORING REPORT 2014-2015 (HALF YEAR)

The report provided the Task Group with an overview of the performance of the WHQS Team during the six month from April 2014 to the end of September 2014, which included details of the capital expenditure programme for 2014-15 for WHQS works.

Members noted the arrangements in place to monitor and manage the performance of the WHQS programme for 2014-15, which included a number of performance dashboards used by a range of staff within the WHQS team. Performance is monitored and managed formally via the WHQS Management Delivery Team meetings, which occur every fortnight.

The Task Group noted the details of the WHQS Internal works programme, which includes 933 properties. It was noted that 249 properties (39%) were compliant in respect of the internal elements as of 11th November 2014. The external works programme includes 835 properties. Arrangements are in place to measure tenant satisfaction levels and compliance with service standards for the internal works contracts via surveys. However, surveys for 2014-15 contracts have only just been sent out, so no survey results are available.

Following consideration and discussion, the Caerphilly Homes Task Group noted the report.

### **TO RECEIVE ANY REQUESTS FOR AN ITEM TO BE INCLUDED ON THE NEXT AVAILABLE AGENDA**

The following requests were received:-

- (i) Clive Davies requested an update report on Procurement Progress.

Mr J. Moore asked why it was taking so long for new Task Group Members to receive a new phone- SC Chase

An observation was made by the tenant members of the Task Group that at 6.00pm there was only one Councillor at the meeting, that being the Chair. Concerns were raised by the tenants about the lack of Councillors' attendance at meetings. It was agreed that officers would raise the matter with the Cabinet Member

The meeting closed at 6.27 p.m.

Approved as a correct record subject to any amendments or corrections agreed and recorded in the minutes of the meeting held on 19th February 2015.

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CHAIRMAN



## CAERPHILLY HOMES TASK GROUP – 19TH FEBRUARY 2015

**SUBJECT: LOCAL EMPLOYMENT FUND – SUPPORTING LIFT**

**REPORT BY: INTERIM CHIEF EXECUTIVE**

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

- 1.1 The report seeks approval to allocate the 2014/15 Local Employment Fund budget to Communities First in order to add value and enhance the Welsh Government's LIFT programme aimed at supporting people in workless households into employment within the Upper Rhymney Valley and Caerphilly Basin Communities First Clusters.
- 1.2 Subject to the views of the Caerphilly Homes Task Group the virement of the Local Employment Fund will be made by the Head of Programmes under delegated powers.

### **2. SUMMARY**

- 2.1 As part of the Council's commitment to tenants outlined in the Offer Document the Council allocated £50,000 per annum for the first 5 years of the programme to create a suite of funds designed to engage and support the local community in helping to transform homes, lives and communities. The funds created include, the Local Employment Fund, a Community Improvement Fund and an Anti Social Behaviour Fund.
- 2.2 The Local Employment Fund was created to support initiatives to help unemployed / inactive tenants into work. £50,000 is allocated annually by the Council to the Fund. In previous years the Fund has supported the partial refurbishment of Hafod Deg, Rhymney as a community 'Hub', the employment of a Passport Support Officer to support young people participating in the Council's Passport Programme and working on the WHQS programme and the delivery of a pre Passport scheme delivered by White Rose Resource Centre for young people in New Tredegar.
- 2.3 The Council cannot deliver the transforming lives and communities agenda in isolation hence opportunities are sought to add value to existing Council or Welsh Government programmes in order to facilitate greater transformation opportunities and greater impact especially in the more deprived areas of the County Borough.
- 2.4 During summer 2014 the Welsh Government announced the introduction of the LIFT programme designed to support its Tackling Poverty agenda through providing training and employment opportunities for people in workless households. The programme is aimed at supporting people who have spent more than 6 months out of work and who face the greatest barriers to becoming employable. For example:
  - Young single parent households
  - Households in which adults have few or no formal qualifications
  - People with weak employment records
  - Individuals with disabilities

- 2.5 Research shows that households with these characteristics are much less likely to gain employment than others.
- 2.6 Originally the Welsh Government advised that in Caerphilly county borough the LIFT programme would only be piloted in the Caerphilly Basin Cluster (including Lansbury Park) however, they have recently approved an expansion of the project to the Upper Rhymney Valley Cluster area (including the Twyn Carno ward) hence the request to allocate the funds for 2014/15 to enhance and support the delivery of the recently announced wider programme.

### **3. LINKS TO STRATEGY**

- 3.1 The Welsh Housing Quality Standard (WHQS) is intended to ensure that all local authority and housing association homes are improved and maintained to achieve specified standards.
- 3.2 The WHQS Programme is coterminous with the Caerphilly Single Plan priority of creating 'Prosperous Communities' (P2).
- 3.3 The Council is committed to ensuring that the WHQS investment transforms not only homes but also lives and communities.
- 3.4 The Council's Local Housing Strategy "People, Property, and Places" has the following aim:  
"To provide good quality, well managed houses in communities where people want to live, and offer people housing choices which meet their needs and aspirations."
- 3.5 The proposal is coterminous with the Welsh Government's Tackling Poverty Action Plan and attempts to address some of the issues highlighted in the Welsh Index of Multiple Deprivation 2014.

### **4. THE REPORT**

- 4.1 St James 3 (comprising a large part of Lansbury Park) is the most deprived area in Wales in the recently published 2014 WIMD (previously ranking as the second most deprived area in WIMD 2011) and forms part of the Caerphilly Basin Cluster.
- 4.2 St James 3 is the most deprived Lower Super Output Area (LSOA) in the Education domain. It falls within the ten most deprived LSOAs for the Income, Employment Health and Education domains, which have a combined weight of 75% in the overall index. It also falls within the 10% most deprived LSOAs for the Community Safety domain. The LSOA has changed little in overall rank since WIMD 2011, but its relative deprivation has increased substantially in the Housing and Access to Services domains, and Education domain moving from 24 in WIMD 2011 to 1 in WIMD 2014 (see page 11 WIMD 2014).
- 4.3 The Van Community Partnership Audit (2009) showed there were concerns in the area with what people termed as a 'benefit culture' and a general level of apathy associated with looking for work. There were also concerns about a perceived lack of employment opportunities in the area. The Van Community Audit also found lack of awareness of local training opportunities, a need for childcare, as well as interest in a range of training opportunities for the future.
- 4.4 The WIMD 2014 calculates that St James 3 is 3<sup>rd</sup> (out of 1909) most deprived LSOA in Wales in relation to Employment despite being adjacent to some of the borough's key employment sites.
- 4.5 The URV has the highest concentration of poverty in the County Borough. As such both the Council and the Local Service Board have identified it as a priority area for investment. It is also the targeted area for the Anti Poverty Steering Group. The Council have embarked upon a focused regeneration programme within Rowan Place in an attempt to address social,



economic and housing issues that have stigmatised the area for a number of years.

- 4.6 Twyn Carno 1 is the 2<sup>nd</sup> most deprived area within Caerphilly according to the Welsh Index of Multiple Deprivation 2014 and lies within the top 10% of the most deprived LSOA's in Wales in relation to Income, Employment, Health, Education and Community Safety. It ranks as 6 within the overall index of multiple deprivation. There are a high proportion of households within the URV where none of the adults aged 16-64 are in employment.
- 4.7 The Welsh Government has introduced the LIFT programme as part of its commitment to tackling poverty in Wales' most deprived areas. The programme will target 5000 households across Wales through the provision of bespoke support and mentoring. Every adult (16-64) within a household who is currently out of work will be provided with individual support to move towards obtaining employment through participating in training, overcoming barriers and undertaking work experience opportunities.
- 4.8 WHQS tenant liaison officers will be working closely with the Communities First cluster teams in both the Upper Rhymney Valley and Caerphilly basin to identify and engage with households in receipt of WHQS works who would benefit from and be interested in participating in the scheme.
- 4.9 The LIFT Programme targets households where no-one has worked for a minimum of six months and whose characteristics make them less likely to gain employment. Opportunities provided through the LIFT Programme include: -
- (a) Training courses linked specifically to a participant's employability
  - (b) Work experience or placements, which enhance a participant's employability.
  - (c) Actual employment and volunteering which leads to a recognised qualification appropriate for work.
- 4.10 LIFT provision will tackle worklessness through personalised, intensive support aimed at addressing the holistic needs of the whole household. This caseload approach is innovative, challenging and ambitious as it deals with some of the people who are furthest from the labour market and largely fall outside education and training and other forms of support.
- 4.11 The current WG LIFT programme employs two Employment Mentors, one to work in each cluster area.
- 4.12 It is proposed to utilise the WHQS Local Employment Fund to add value to the LIFT programme through enhancing the delivery budget available to each area. The allocation of £50,000 from the 2014/15 Local Employment Fund will also enhance the support that workless households are able to access through the programme and the resources available to coordinate the programme in each area.
- 4.13 The Community Regeneration Manager will provide a six monthly report to the WHQS Project Board and the CHTG on the outcomes delivered during 2015/16 as a result of the WHQS investment and an additional report at the 12 month stage. The reports will highlight the number of tenants who have been engaged via the scheme as a whole.

## **5. EQUALITIES IMPLICATIONS**

- 5.1 There are no equalities implications arising from the report.

## **6. FINANCIAL IMPLICATIONS**

- 6.1 The Council allocates £50,000 per annum to the Local Employment Fund to support and add value to programmes and projects that support people currently unemployed towards opportunities designed to increase their employability.
- 6.2 No other initiatives have been identified for the 2014/15 Local Employment Fund budget hence the full £50,000 remains unspent.
- 6.3 It is proposed to allocate the 2014/15 underspend to add value and support the delivery of the LIFT programme throughout the Caerphilly Basin and Upper Rhymer Valley Clusters during 2015/16.

## **7. PERSONNEL IMPLICATIONS**

- 7.1 There are no personnel implications arising from the report.

## **8. CONSULTATIONS**

- 8.1 Comments received as a result of consultation with appropriate officers are reflected in the report.

## **9. RECOMMENDATIONS**

- 9.1 Members are invited to comment on the proposal outlined in the report in respect of the Local Employment Fund. Subject to views at Caerphilly Homes Task Group, the decision to vire the budget will be taken by the Head of Programmes under delegated powers.

## **10. REASON FOR RECOMMENDATIONS**

- 10.1 To deliver and enhance the impact of the LIFT programme and the WHQS transforming lives and communities agenda.

## **11. STATUTORY POWER**

- 11.1 Housing Acts and Local Government Acts 2000.

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Email: roberj2@caerphilly.gov.uk - Tel: 01443 864340

Consultees: Councillor Gerald Jones, Deputy Leader and Cabinet Member for Housing  
Councillor Ken James, Cabinet Member for Regeneration  
Phil Davy, Head of Programmes  
Pauline Elliot, Head of Regeneration and Planning  
Tina McMahon, Community Regeneration Manager  
Nicole Scammell, Acting Director of Corporate Services  
Shaun Couzens, Chief Housing Officer  
Lesley Allen, Group Accountant



## CAERPHILLY HOMES TASK GROUP – 19TH FEBRUARY 2015

**SUBJECT: COMMUNITY SAFETY FUND – TARGET HARDENING AND SUPPORT FOR VICTIMS OF ANTI SOCIAL BEHAVIOUR AND DOMESTIC VIOLENCE**

**REPORT BY: INTERIM CHIEF EXECUTIVE**

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### 1. PURPOSE OF REPORT

- 1.1 To advise members of proposals to utilise £20,000 of the Council's WHQS Community Safety budget to enhance the target hardening provision available to support victims of anti social behaviour and domestic violence.
- 1.2 Funding decisions relating to the Community Safety Fund will be made under delegated powers by the Head of Programmes. The report is seeking the views of Caerphilly Homes Task Group prior to the decision being made.

### 2. SUMMARY

- 2.1 As part of the Council's commitment to tenants outlined in the Offer Document the Council allocated £50,000 per annum to a suite of funds designed to engage and support the local community in helping to transform homes, lives and communities. The funds created include, the Local Employment Fund, a Community Improvement Fund and an Anti Social Behaviour Fund.
- 2.2 The Community Safety Fund was created to support projects that aim to address community safety issues and help create a safer community environment. In previous years the Fund has been used to purchase two 4G mobile CCTV cameras which are currently being used in Rowan Place to prevent crime and anti social behaviour.
- 2.3 During 2014/15 a number of discussions that have taken place with representatives from the Caerphilly Community Safety Partnership, Gwent Police, Llamau, Communities First, Flying Start and Tenancy Enforcement regarding how the Fund could be best utilised. The discussions were assisted by the findings highlighted in the Safer Caerphilly Strategic Assessment published in April 2014 which suggested that whilst the overall crime rate in Caerphilly had reduced, the incidence of some types of crime had increased, notably violent crime, criminal damage and theft. Anti social behaviour had increased in a number of areas including Penyrheol, Risca and St James.
- 2.4 It is proposed to utilise £20,000 of the Council's WHQS Community Safety Fund 2014/15 to add value to existing work underway by the members of the Caerphilly Community Safety Partnership to help address the key community safety concerns highlighted in the Safer Caerphilly Strategic Assessment Document 2014/15.

- 2.5 The proposal will add value to the existing interventions currently undertaken by the Safer Caerphilly Partnership, Gwent Police, Llamau and the Council's Housing division in partnership with neighbouring local authorities to tackle anti social behaviour and reduce domestic violence.

### **3. LINKS TO STRATEGY**

- 3.1 The Welsh Housing Quality Standard (WHQS) is intended to ensure that all local authority and housing association homes are improved and maintained to achieve specified standards.
- 3.2 The WHQS Programme is coterminous with the Caerphilly Single Plan priority of creating 'Prosperous Communities' (P2).
- 3.3 The Council is committed to ensuring that the WHQS investment transforms not only homes but also lives and communities.
- 3.4 The Council's Local Housing Strategy "People, Property, and Places" has the following aim:  
"To provide good quality, well managed houses in communities where people want to live, and offer people housing choices which meet their needs and aspirations."

### **4. THE REPORT**

- 4.1 The Safer Caerphilly Strategic Assessment document notes that the three wards of Blackwood, Bedwas and Penyrheol exhibit high levels of violent crime and anti social behaviour and that in the future, the incidence of these crimes across the county borough is likely to increase.
- 4.2 Whilst there are a number of interventions already in place and delivered by members of the Safer Caerphilly Partnership gaps in provision have been highlighted.
- 4.3 It is therefore proposed to allocate £20,000 of the 2014/15 year budget to the Caerphilly Community Safety Partnership to undertake the following:
- Purchase of target hardening equipment for use by victims of anti social behaviour including additional door locks, security lights, window alarms and CCTV etc.
  - Purchase of target hardening equipment for use by victims of domestic abuse including; home alarms, personal alarms and mobile phones. The mobile phones are loaned to the victim when they have been taken by the Police to give evidence. This allows the victim to contact their support worker and family members. The phones also include an emergency button for use in the home if they require immediate help from the police.
  - The creation of Sanctuary Rooms in homes where the tenant is considered at severe risk of domestic abuse. Specialist equipment can be purchased to reinforce a dedicated room within the home which a victim and / or their children can enter if they are at immediate risk. For example, reinforced doors on certain rooms within the home which the victim and their children can enter and lock if they are in immediate danger and allow them the time to contact the police in safety.
- 4.4 Victims of anti social behaviour will be identified by the Victim's Manager who is based with the Safer Caerphilly Partnership and whose role is to directly support victims of ASB.
- 4.5 Funding from the Community Safety Fund would be awarded to the Safer Caerphilly Partnership who have a partnership arrangement in place with Care and Repair Caerphilly to manage the distribution, fitting and maintenance of the stock.

- 4.6 The Tenancy Enforcement Section of the Housing division are a member of the Safer Caerphilly Partnership and would have a direct input into decisions to provide target hardening equipment. There is no duplication between the support provided via this proposal and the provision of target hardening equipment offered via the Tenancy Enforcement service.
- 4.7 The Community Safety Officer will provide a six monthly report to the WHQS Project Board and the CHTG on the target hardening items that have been purchased, their usage and their impact in helping victims of domestic violence and anti social behaviour in reducing the incidence of both. The report will highlight the number of tenants who have benefited from this service.

## **5. EQUALITIES IMPLICATIONS**

- 5.1 Target hardening equipment and sanctuary rooms will be provided to victims based on an assessment of need undertaken by the Safer Caerphilly Partnership and relevant sub groups.

## **6. FINANCIAL IMPLICATIONS**

- 6.1 £50,000 remains within the 2014/15 Community Safety Budget. It is unlikely that the full £50,000 will be committed by 31 March 2015.
- 6.2 The proposed £20,000 allocation to the Safer Caerphilly Partnership will pay for the capital costs associated with the purchase and fitting of target hardening equipment and the creation of sanctuary rooms.
- 6.3 The Safer Caerphilly Partnership have a partnership arrangement in place with Care and Repair to supply and fit appropriate equipment.

## **7. PERSONNEL IMPLICATIONS**

- 7.1 There are no personnel implications.

## **8. CONSULTATIONS**

- 8.1 Comments received from appropriate officers have been incorporated into the report.

## **9. RECOMMENDATIONS**

- 9.1 That members are invited to comment on the proposal outlined in the report in respect of the Community Safety Fund prior to a decision by the Head of Programmes under delegated powers.

## **10. REASON FOR RECOMMENDATIONS**

- 10.1 To help deliver the Council's WHQS ambition to transform homes, lives and communities.

## **11. STATUTORY POWER**

- 11.1 Housing Act and Local Government Acts 2000.

Author: Jane Roberts-Waite, Strategic Coordination Manager  
Email: roberj2@caerphilly.gov.uk - Tel: 01443 864340

Consultees: Councillor Gerald Jones, Deputy Leader and Cabinet Member for Housing  
Phil Davy, Head of Programmes  
Shaun Couzens, Chief Housing Officer  
Rachel Thornett, Tenancy Enforcement Manager  
Natalie Kenny, Community Safety Officer  
Kathryn Peters, Community Safety Manager  
Nicole Scammell, Interim Director of Corporate Services  
Lesley Allen, Group Accountant



## CAERPHILLY HOMES TASK GROUP – 19TH FEBRUARY 2015

**SUBJECT: CODE OF CONDUCT FOR TENANT REPRESENTATIVES  
ON THE CAERPHILLY HOMES TASK GROUP**

**REPORT BY: INTERIM CHIEF EXECUTIVE**

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

- 1.1 To clarify the application of the Council's Code of Conduct to the tenant representatives on the Caerphilly Homes Task Group (CHTG).

### **2. SUMMARY**

- 2.1 The Caerphilly Homes Task Group is not a committee of the Council within the Constitution. Tenants are not members of the Council and therefore the provisions for the enforcement of the Members Code of Conduct do not apply. Notwithstanding it is considered to be good practice for the tenant representatives on the CHTG to sign and abide by a Code of Conduct specifically drafted for tenants to cover their involvement in CHTG as a consultative body.

### **3. LINKS TO STRATEGY**

- 3.1 The Welsh Housing Quality Standard (WHQS) is intended to ensure that all local authority and housing association homes are improved and maintained to achieve specified standards.
- 3.2 The Single Integrated Plan 2013-2017 has a priority to "Improve standards of housing and communities, giving appropriate access to services across the County Borough."
- 3.3 The Council's Local Housing Strategy "People, Property, and Places" has the following aim:  
"To provide good quality, well managed houses in communities where people want to live, and offer people housing choices which meet their needs and aspirations."
- 3.4 The Caerphilly Homes Task Group is a formal mechanism to engage with tenant representatives and ensure their views are reflected in decisions relating to public sector housing.

### **4. THE REPORT**

- 4.1 Following the outcome of the ballot in February 2012 the Council considered the mechanisms required to oversee the management and delivery of the WHQS Programme and the housing service improvements that had been promised in the Offer Document / Addendum. In particular there was a commitment to engage more effectively with tenants in future decision making. To give effect to this the Council at the meeting held on 29<sup>th</sup> February 2012 agreed to establish an all party Housing Task Group with tenant representatives, reporting to a Cabinet Sub Committee. The Task Group, subsequently named the Caerphilly Homes Task Group was established with seven Councillors and seven tenant representatives.

- 4.2 A review of the terms of reference of the CHTG was undertaken in April 2014 in light of the updating of the Council's Constitution. The main issue addressed was that the public sector housing scrutiny function must sit within the remit of one of the formally constituted scrutiny committees (Policy and Resources Scrutiny Committee). The function of the CHTG was consolidated as a consultative group on all matters relating to public sector housing and with a particular focus on the WHQS Programme. The Cabinet Sub Committee was disbanded in view of the arrangements for pre decision scrutiny of reports requiring decision by Cabinet.
- 4.3 It has been the practice to request the tenant representatives to sign and abide by the "Code of Conduct for Members and Co-opted Members". This code covers standards of conduct, behaviour in meetings, and declarations of interest.
- 4.4 Section 52 of the Local Government Act 2000 states that members of relevant authorities such as the Council are bound by the Code of Conduct. This obviously includes Councillors but would also extend to co-opted members. Co-opted member in relation to a relevant authority, means a person who is not a member of the authority (ie a councillor) but who
- (a) Is a member of any committee or sub committee of the authority, or
  - (b) Is a member of, and represented the authority on, any joint committee, or joint sub committee of the authority
- and who is entitled to vote on any question which falls to be decided at any meeting of that committee or sub committee.
- 4.5 The CHTG is a consultative mechanism and is not therefore a defined committee or sub committee within the Council's Constitution. The tenant representatives are not members of the Council nor would they fall within the definition of co opted members.
- 4.6 Therefore the Members Code of Conduct does not apply and cannot be enforced by the normal arrangements whereby a complaint about an individual tenant's behaviour on the CHTG may be referred for investigation by the Ombudsman.
- 4.7 It is considered good practice that tenant representatives should agree to abide by a Code of Conduct and therefore a specific code for tenants is proposed. A copy of the proposed Code of Conduct is attached at Appendix 1.
- 4.8 The Code of Conduct covers general behaviour, conduct during meetings, confidentiality and discrimination. A procedure is set out to deal with a breach of the Code of Conduct by a tenant together with sanctions that may be imposed. All tenant representatives on the Caerphilly Homes Task Group will be expected to sign this Code of Conduct.

## **5. EQUALITIES IMPLICATIONS**

- 5.1 An EqIA screening has been completed in accordance with the Council's Equalities Consultation and Monitoring Guidance and no potential for unlawful discrimination and for low level or minor negative impact have been identified, therefore a full EqIA has not been carried out.
- 5.2 The Code of Conduct requires that duties and responsibilities are carried out with due regard to the principle that there should be equality of opportunity for all people regardless of their gender, race, disability, sexual orientation, age or religion.

## **6. FINANCIAL IMPLICATIONS**

- 6.1 There are no financial implications arising from the report.



## **7. PERSONNEL IMPLICATIONS**

7.1 There are no personnel implications.

## **8. CONSULTATIONS**

8.1 The tenant representatives on the CHTG felt they needed independent advice in respect of the content of the Code of Conduct. As a result of this a number of changes were requested and most have been incorporated within the document which is attached at Appendix 1. Officers have included an alternative procedure for dealing with breaches of the Code of Conduct.

## **9. RECOMMENDATIONS**

9.1 To note the adoption of the tenants Code of Conduct for the tenant representatives on the CHTG.

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

10.1 The report was requested by the CHTG to clarify the position relating to tenants and the Code of Conduct.

## **11. STATUTORY POWER**

11.1 Local Government Act 2000.

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Tel: 01443 864208

Consultees: Cllr Gerald Jones, Deputy Leader & Cabinet Member for Housing  
Chris Burns, Interim Chief Executive  
Nicole Scammell, Acting Director of Corporate Services & S151 Officer  
Shaun Couzens, Chief Housing Officer  
Gail Williams, Monitoring Officer/Principal Solicitor

Appendices:

Appendix 1 – Code of Conduct

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## Code of Conduct

### Tenant Representatives on the Caerphilly Homes Task Group

This Code of Conducts sets out the principles governing how tenant members of Caerphilly Homes Task Group should conduct themselves both in meetings and also on any other occasion when they are representing tenants of the Council. For the avoidance of doubt all Councillors sitting on Caerphilly Homes Task Group are bound by the Code of Conduct for Members adopted by Caerphilly County Borough Council on 2 May 2008.

Tenants who act in a way that violates this Code of Conduct can be subject to disciplinary consequences such as warnings, temporary or permanent exclusion from meetings and Task Group membership.

The Code is not meant to prevent robust debate but is intended to promote a fair and democratic participation. All tenant representatives should adhere to the following Code of Conduct.

For the purpose of this Code of Conduct a tenant representative, is a person elected by other tenants from one of the three housing areas (Upper Rhymney Valley, Lower Rhymney Valley, Eastern Valleys) to provide a tenants' voice on the Caerphilly Homes Task Group.

#### 1. Representing Tenants

##### **You must:**

- 1.1 Strive to ensure the Caerphilly Homes Task Group meets the objectives laid out in the Terms of Reference.
- 1.2 Provide a tenants' view on issues of concern and raise views impartially and sensitively in relation to formal agenda items on the Caerphilly Homes Task Group or through the mechanism of requesting reports.
- 1.3 Provide feedback to tenants groups and networks on matters discussed at the Caerphilly Homes Task Group.
- 1.4 Be careful about expressing personal opinions when this may conflict with the majority view of the tenants' representatives on the Caerphilly Homes Task Group.

#### 2. General Behaviour

##### **You should:**

- 2.1 Be polite and courteous at all times and support and help one another with any problems, which may occur within your roles.
- 2.2 Not use any language or behaviour that may cause offence to others.
- 2.3 Be respectful and considerate to the rights of individuals and the duties of Councillors and staff.
- 2.4 Not expect to receive any better or worse treatment / service from Councillors or members of staff due to your position as a tenant representative.
- 2.5 Use normal procedures when reporting issues such as repairs, complaints, request for service etc. The Caerphilly Homes Task Group is not the platform for reporting day to day issues.

- 2.6 Declare an interest on any matter on the agenda that might raise a conflict of interest.
- 2.7 Send apologies for non attendance at meetings. Should a tenant member miss three consecutive meetings (without good cause or prior agreement) then the Chair person may request that this individual relinquish his/her position).
- 2.8 Comply with conditions of tenancy. The Council reserves the right not to work with any tenant representative who is in breach of their tenancy conditions. Any tenant representative in this position may face temporary suspension from the Caerphilly Homes Task Group until the breach is remedied. A decision on suspension will be made by the Chief Housing Officer whose decision shall be binding and absolute.
- 2.9 Do not approach the media regarding any unresolved issue. Such issues should be subject to normal reporting to allow an opportunity for resolution.

### **3. Conduct During Meetings**

#### **You should:**

- 3.1 Follow the guidance of the Chair of the Caerphilly Homes Task Group throughout the meeting.
- 3.2 Allow others to speak, listen to them and respect their views, even if they do conflict with your own opinions.
- 3.3 Avoid cross talking and allow for others to comment. Ensure you signal to the Chair if you wish to speak and keep comments relevant to the topic of discussion.
- 3.4 Keep to the agenda and make points clearly and concisely.
- 3.5 Avoid using jargon, or if it is necessary to do so, fully explain your language.
- 3.6 Prepare for the meeting by reading the relevant agenda papers beforehand and bring a copy of these documents to the meeting for reference.
- 3.7 Enter the meeting quietly and discreetly if you are late to avoid disruption, or if you have to leave early.
- 3.8 Switch off mobile phones during meetings to avoid disturbance.

### **4. Confidentiality**

#### **You must:**

- 4.1 Keep any information or material received while fulfilling your role as a tenant representative on the Caerphilly Homes Task Group confidential and you must not divulge it to any person, organisation, or the press unless advised otherwise, excepting of course where such information may already be in the public domain.
- 4.2 Recognise and respect tenants' / residents' confidentiality at all times, whether in their presence or not.
- 4.3 Individual issues must only be discussed with the appropriate officers during normal office hours and is not a subject for the Caerphilly Homes Task Group.
- 4.4 Not to mention or discuss specific cases which may cause embarrassment to or potentially lead to the identification of an individual.

## **5. Discrimination**

### **You must:**

- 5.1 Show mutual respect for other tenants, landlords, elected members and officers of the Council when working together on this group.
- 5.2 Conduct yourself appropriately at meetings (or when representing tenants of the Council). Any offensive or bullying behaviour or actions, including discriminatory or inflammatory remarks, or abusive language will not be tolerated (and could lead to exclusion from the Task Group). Neither will inappropriate behaviour due to alcohol or substance misuse be accepted.

### **You must not:**

- 5.3 Discriminate against other people, including discriminatory language or actions on the grounds of their ethnic origin, sex, age, marital status, sexual orientation, disability, gender reassignment, religious beliefs or non belief, use of Welsh Language, BSL or other languages, nationality, responsibility for any dependents or any other reason which cannot be shown to be justified.

## **6. Political Interest**

### **You:**

- 6.1 May be associated with, or part of a political party, however you may not represent this party or its view within your role as tenant representative on the Caerphilly Homes Task Group.
- 6.2 Must make political affiliations known when discussing issues where this could be of influence.

## **7. Breach of Code of Conduct**

### **Is not acceptable**

- 7.1 Where an individual considers that a breach in this Code of Conduct has occurred, the matter should be reported to either the Chief Housing Officer or the Head of Programmes, but only one of these officers will become involved at this stage, detailing:
  - Who they consider has breached the Code of Conduct
  - When the breach occurred
  - Nature of the breach
  - If appropriate, who witnessed the breach
- 7.2 The Chief Housing Officer or the Head of Programmes will inform the tenant representative accused of the alleged breach, detailing the breach and date it occurred, and work to bring the situation to a conclusion that satisfies both the person reporting the breach and the tenant representative accused of the breach.
- 7.3 If the situation cannot be brought to a conclusion satisfactory to both parties, the Chief Housing Officer or Head of Programmes will convene a meeting with a representative from Legal Services, to consider the nature of the breach and decide on appropriate action that may include but is not exclusive or pre determined:
  - Suspension during further investigation
  - No further action

- Written warning
- Exclusion for a period of time
- Permanent exclusion resulting in the commencement of selection of a new tenant representative from the relevant area.

7.4 Tenants who wish to appeal any decision made will have the right to have the case reviewed by either the Chief Housing Officer or Head of Programmes, whichever officer has not been involved in the earlier part of the investigation, and the decision of this officer will be final.

*Tenant representatives will be advised of any independent support that could be made available.*

*The Council reserves the right not to work with any tenant representative who has not complied with the terms of this Code of Conduct.*

I, the undersigned, have read and understood this Code of Conduct and its implications and agree to adhere to the above Code.

Name:

Address:

Signed:

Dated:

February 2015

*This document is available in Welsh, and in other languages and formats on request.*

*Mae'r ddogfen hon ar gael yn Gymraeg, ac mewn ieithoedd a fformatau eraill ar gais*



## CAERPHILLY HOMES TASK GROUP – 19TH FEBRUARY 2015

**SUBJECT:       DECISION FOR THE AUTHORITY TO BUY OUT OF HOUSING  
REVENUE ACCOUNT (HRA) SUBSIDY ARRANGEMENTS**

**REPORT BY:    ACTING DIRECTOR OF CORPORATE SERVICES AND SECTION 151  
OFFICER**

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1.1     The report was considered and approved by Special Council on the 17th December 2014 and is provided for the information of Caerphilly Homes Task Group.

Author:        Nicole Scammell, Acting Director of Corporate Services & S151 Officer  
                  nicolescammell@caerphilly.gov.uk

Appendices:  
Appendix 1    Special Council Report – 17th December 2014.

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## SPECIAL COUNCIL – 17TH DECEMBER 2014

**SUBJECT: DECISION FOR THE AUTHORITY TO BUY OUT OF HOUSING REVENUE ACCOUNT (HRA) SUBSIDY ARRANGEMENTS**

**REPORT BY: ACTING DIRECTOR OF COPORATE SERVICES & S 151**

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### 1. PURPOSE OF REPORT

- 1.1 To provide Members with the financial business case and background so that they can determine whether Caerphilly County Borough Council (CCBC) borrows funds from the Public Works Loan Board (PWLB) to buy itself out of the HRA Subsidy arrangements. In making the decision, Members will need to accept a borrowing cap in respect of the HRA and agree a change to the Authority's Treasury Management Strategy.

### 2. SUMMARY

- 2.1 Members were advised in a Seminar on 30 June 2014 that there was likely to be an opportunity to buy out of the sudsidy arrangements. This report gives more background information explaining how and why a negative HRA Subsidy arrangement currently exists.
- 2.2 This report then provides reasons why the Authority should Buy Out of these HRA Subsidy arrangements prior to 2015/16.
- 2.3 Members need to make a decision to Buy Out of the HRA subsidy arrangements based on the financial savings identified in this report. Members also need to agree to a borrowing cap in respect of HRA Debt.
- 2.4 If the arrangements are not approved by all eleven local authorities retaining housing stock, the current HRAS system will remain in place until the primary legislation is enacted.

### 3. LINKS TO STRATEGY

- 3.1 The Welsh Housing Quality Standard is intended to ensure that all Local Authority and Housing Association Homes are improved and maintained to specified standards.
- 3.2 This report links to the National Housing Strategy "Sustainable Homes"(WG), and the Council's Local Housing Strategy "People, Property, and Places".
- 3.3 The Single Integrated Plan 2013-2017 has a priority to "Improve standards of housing and communities giving appropriate access to service across the County Borough".

### 4. THE REPORT

- 4.1 Bringing the HRA Subsidy System to an end in Wales, particularly the annual payment from

Wales to HM Treasury of circa £73 m per annum, has been a goal of the Welsh Local Government Association (WLGA), the Welsh Government and landlord Local Authorities for many years.

- 4.2 After lengthy negotiations, the Welsh Government and HM Treasury have reached an agreement that will allow the eleven Authorities in Wales with Council housing stock to exit from the Housing Revenue Account (HRA) subsidy system and become self-financing from April 2015. These negotiations have been undertaken on the basis of the completion of individual voluntary agreements with the 11 landlord Authorities rather than waiting for the primary legislation to be enacted .
- 4.3 The agreement has two parts, firstly Authorities will be required to buy their way out of the current HRA subsidy system with payment of a one off settlement figure to HM Treasury, and secondly Authorities will be subject to a cap on HRA borrowing.
- 4.4 The new self-financing arrangements are planned to be in place from April 2015 and will increase revenue year on year for the eleven landlord Authorities. This is because the annual negative subsidy payment of circa £73 m from the eleven landlord Authorities in Wales to the HM UK Treasury will be replaced from April 2015 by a payment in the form of a Public Works Loan Board (PWLB) loan from the PWLB. This Authority's share of the total debt will be based on H M Treasury receiving a notional £40 m interest per annum from the eleven Welsh Authorities.
- 4.5 **A Brief Outline of the Housing Revenue Account Subsidy System**
- 4.5.1 The Housing Revenue Account (HRA) Subsidy System which could come to an end in Wales on 31 March 2015 was originally designed as a national pooling system for Council rents in England and Wales.
- 4.5.2 Allowances for management and maintenance to Council homes were originally set by national Government and if rents exceeded allowances, Authorities paid into the "pool" (called negative subsidy) and vice versa where allowances were greater than rents.
- 4.5.3 The subsidy system has resulted in every Welsh Landlord Authority paying "negative subsidy" each year to the UK Treasury, which totals circa £73 m. This has diverted rental income away from investment in homes and has underfunded Council housing over many years. The subsidy system also offers no incentives to landlord Authorities to make services more efficient or to ensure that rents and service charges fully cover costs, as any increase in revenue merely increases the negative subsidy payments to the UK Treasury.
- 4.5.4 The annually determined allowances of the HRA subsidy system are also unpredictable and volatile and have prevented Authorities from being able to plan for the long term with any certainty.
- 4.6 **Overview of HRA Reform in Wales**
- 4.6.1 In July 2013, the UK Government and the Welsh Government reached agreement on the terms under which Authorities with housing stock in Wales could exit from the HRA subsidy system and become self-financing. The agreement requires Authorities to buy their way out of the HRA Subsidy system through a one off payment that is referred to as the "settlement figure". The agreement also imposes a limit on HRA borrowing.
- 4.6.2 The move to self-financing in April 2015 will mean that Authorities will for the first time be in a position where they can support their landlord activities from their own income. In addition, Authorities can continue to apply for the Major Repairs Allowance (MRA). This is an annual capital grant from the Welsh Government to Authorities with housing stock. Only Authorities that submit an "acceptable" business plan to Welsh Government, which demonstrates that WHQS will be achieved by 2020 can receive MRA. There are no current proposals to change the MRA arrangements.

4.6.3 Self-financing Authorities must continue to maintain a statutory, ring fenced Housing Revenue Account and to account for income and expenditure on Council housing separately from Council Fund income and expenditure. Rental income will be retained by the Authority.

#### 4.7 **The Settlement Figure**

4.7.1 The eleven Landlord Authorities currently make annual HRA negative subsidy payments to the HM Treasury. The settlement will effectively buy Authorities out of the requirement to make these payments from April 2015.

4.7.2 HM Treasury requires that the settlement is “fiscally neutral over the long term”. This will require the eleven Authorities to take out loans from the PWLB to fund their share of the settlement figure. Under the terms of the agreement with the Treasury a notional £40 m interest will be used to generate a total settlement value using the PWLB 30 year maturity rate.

4.7.3 The All Wales settlement figure has been estimated to be £920 m, but the precise figure will depend on the interest rate for PWLB loans on 31 March 2015 when the loans are requested.

4.7.4 These new arrangements will increase HRA resources for every Authority as the annual negative subsidy payments which currently total circa £73 m for the eleven Authorities will be replaced with approximately £40 m of interest payments on PWLB loans plus the cost of repaying the debt. This debt can be repaid over 50 years i.e. 2% per annum of the loan is repaid each financial year. The interest payment and debt repayment is lower than the negative subsidy payment. After Minimum Revenue Provision (MRP) payments (loan repayments estimated to be 2%) are taken into account, the eleven Authorities are expected to be better off each year.

#### 4.8 **Distribution of the settlement figure between Authorities**

4.8.1 HM Treasury has agreed that the distribution of the aggregate settlement figure of approximately £920 m between the eleven Authorities is a decision for Welsh Ministers. There is broad consensus that the distribution of the settlement should not result in any Authority being worse off and following consultation with the eleven Authorities on distribution of the settlement figure, the former Minister for Housing and Regeneration agreed that it will be distributed between the eleven Authorities so all benefit by an equal percentage of their current negative subsidy payment. At a WLGA HRA Reform seminar and a subsequent meeting of the WLGA Co-ordinating Committee in May 2014, all eleven Authorities supported this approach. A table of illustrative figures is included in Appendix 1 and Members will note that Caerphilly CBC's share of the settlement is currently £75,427,087 (subject to final confirmation).

4.8.2 At the time of writing this report PWLB interest rates were 3.87% for a 30 year Maturity loan. This would mean the Authority will need to borrow £84.786 m in respect of its share of the settlement value.

#### 4.9 **Borrowing Cap**

4.9.1 The HRA Exit Agreement with HM Treasury will impose an aggregate HRA borrowing cap of £1.85 billion on the eleven Authorities in Wales. This figure is based on the planned borrowing that Authorities included in the housing business plans submitted to Welsh Government with their applications for Major Repairs Allowance (MRA) in December 2012-13.

4.9.2 The HRA borrowing limit of £1.85 billion includes existing borrowing, investment to bring Council owned homes up to WHQS by 2020 and the cost of the settlement figure. Some Authorities also included plans to build new homes.

4.9.3 The remaining borrowing headroom of approximately £122 m will be available to fund local

investment priorities, for example new build, regeneration, remodelling of existing homes or improvement of housing services.

4.9.4 HM Treasury has agreed that the settlement value is a component part of the borrowing cap calculation. Therefore, the £1.85 billion will change to reflect the final settlement value i.e. will increase if PWLB interest rates are lower than originally anticipated or reduce if PWLB interest rates are higher than originally anticipated.

4.9.5 The illustrative figures below indicated the borrowing that, at the point in time of the consultation, would be included within the borrowing cap of £1.85 billion (these figures have now been updated (see paragraph 4.9.7)).

	<b>£ m</b>
• Existing HRA borrowing by Authorities	<b>460</b>
• Estimated borrowing required to bring all Council owned homes up to WHQS by 2020	<b>358</b>
• Estimated borrowing for the cost of the settlement with HM Treasury	<b>920</b>
• Borrowing capacity remaining for other HRA priorities for example new build, regeneration and re-modelling	<b>112</b>
<b>TOTAL</b>	<b>1.85 billion</b>

4.9.6 The figures above are illustrative and relate to the time of the consultation. These will be revised to reflect the PWLB interest on 31 March 2015, which is the day that the final settlement value will be known. This should ensure that the headroom for borrowing for WHQS and new build is maintained.

4.9.7 Appendix 2 provides the latest draft figures for the breakdown of the Limit on Indebtedness (usually referred to within this document as the “borrowing cap”).

#### **4.10 Distribution of the Borrowing Cap**

4.10.1 HM Treasury has also agreed that Welsh Ministers can decide how the borrowing cap is distributed between Authorities in Wales. The UK Government is in the process of passing the necessary legislation to make this possible.

4.10.2 As the figures above illustrate, most of the borrowing capacity will be taken up by existing borrowing, borrowing required to bring all stock up to WHQS by 2020 and the settlement figure. This leaves approximately £122 m of borrowing headroom to be distributed to Authorities for other HRA investment priorities.

4.10.3 The WLGA and representatives from the eleven Authorities have worked with the Welsh Government to identify credible distribution options for the borrowing capacity and three options were included in the Welsh Government consultation paper.

4.10.4 The three distribution options for the £122 m of borrowing capacity were considered at a WLGA HRA Reform Seminar in May 2014, and subsequently at the WLGA Co-ordinating Committee.

- 4.10.5 The preferred option that all eleven Authorities could “live with” distributes some borrowing capacity to every authority, with a greater amount being allocated to those Authorities that indicated a need for borrowing for new build in their housing 2012-13 business plans. Caerphilly CBC did not include new build requirements in the Business Plan as the priority must be to deliver WHQS in the first instance by 2020.
- 4.10.6 The WLGA Co-ordinating Committee also endorsed the prioritisation of borrowing required to achieve WHQS, but rejected the Welsh Government proposals to hold back £5 m of borrowing capacity as a contingency. This was on the basis that the maximum level of borrowing capacity should be distributed to Authorities to achieve the shared objectives of improving the quality of Council housing and increasing supply.
- 4.10.7 In August 2014, the former Minister confirmed that the borrowing headroom would be distributed to the eleven Authorities using the approach that all eleven Authorities could “live with” and no contingency sum would be held by the Welsh Government. This results in the borrowing headroom detailed in Appendix 2.
- 4.10.8 As part of the Welsh Government consultation on the new arrangements, all eleven Authorities supported the need for flexibility in the distribution of the borrowing capacity. The eleven Authorities proposed that Authorities which do not wish to use all their borrowing capacity in the short or medium term are able to trade their capacity to borrow for a fixed period of time with another Authority that has reached its borrowing cap for a fixed period of time, to allow the borrowing cap to be used most effectively. Authorities did not support a “use it or lose it” approach to redistribution of borrowing capacity by Welsh Government.
- 4.10.9 The former Minister agreed that the Welsh Government will not impose any sanctions or put in place any “use it or lose it” arrangements in relation to the borrowing headroom, with a review of arrangements in 2018/19.
- 4.10.10 The borrowing capacity distributed to each stock retaining authority represents a limit to the Authority’s HRA borrowing over the coming 30 years. The extent to which Authorities wish to use some or all of their borrowing capacity will depend on whether it is affordable (i.e. whether revenue is able to support interest payments), and on local priorities.
- 4.10.11 Over the medium to long term, it is expected that Authorities will be in a position to create their own additional borrowing headroom by paying off existing debt.
- 4.10.12 Imposition of a HRA borrowing cap on Welsh Authorities requires UK Government primary legislation and this is to be implemented via the Wales Bill which is currently progressing through the UK Parliamentary process. However, it is uncertain whether the legislation and necessary arrangements will be in place before April 2015. This will make it necessary for the eleven Authorities to sign individual voluntary agreements with Welsh Government, agreeing to their individual borrowing cap.
- 4.10.13 The Voluntary Agreements must be signed by all eleven Authorities otherwise HM Treasury will not allow Authorities to exit and the duty for each Authority to pay negative HRAS will remain until the Wales Act comes into force.
- 4.10.14 The eleven Authorities are working on a Voluntary Agreement that will enable the HRAS buy out to take place by April 2015. CCBC has a representative on that working group.
- 4.10.15 If the Voluntary Agreements are not individually agreed by the 11 Authorities the Buy Out will not proceed. The current HRAS system will remain in place until the primary legislation is enacted.
- 4.11 Legislative Changes in the UK and Wales**
- 4.11.1 Exit from the HRA Subsidy System requires changes to both UK and Welsh legislation

- 4.11.2 Changes to Welsh legislation are included in part 4 of the Housing (Wales) Act 2014. The Act also places a statutory duty on landlord Local Authorities to bring their stock up to the Welsh Housing Quality Standard by 2020. It also includes new powers of entry, inspection and intervention if Authorities fail to meet the standard. The Act also includes new powers for Welsh Ministers to set standards for rents and service charges, which relate to homes provided by the Authority. Local Authorities will be required to comply with the standards.
- 4.11.3 Part 5 of the Housing (Wales) Act 2014 makes the legislative changes needed to introduce self financing in Wales and gives powers to Welsh Ministers to decide on the distribution of the settlement figure between Authorities.
- 4.11.4 Ministers also have new powers to set the timescales and processes that Authorities will need to follow in order to exit from the HRAS system and to require Authorities to respond to requests for information in relation to the HRA.
- 4.11.5 Changes to UK legislation are required to impose the borrowing cap on Authorities in Wales. The Wales Bill was introduced in March 2014 and includes provision for UK Ministers to set the maximum amount of housing debt that can be held in aggregate by Authorities with housing stock in Wales. It also allows Welsh Ministers to determine the amount of housing debt to be held by individual Housing Authorities.

#### **4.12 Introduction of the new Self Financing Arrangements**

##### **4.12.1 The HRAS Reform Project**

- 4.12.2 The Welsh Government established an HRAS Reform Project in February 2014 following the agreement between Welsh Government and the UK Treasury on the terms of the exit from the HRA subsidy system.
- 4.12.3 The purpose of the project is to develop the new self-financing arrangements in Wales and support implementation of the changes at a local level.
- 4.12.4 A Steering Group and four work streams have been formed with the involvement of officials from all eleven Authorities with housing stock, along with the Welsh Government, WLGA, Welsh Tenants, Wales Audit Office and Chartered Institute of Public Finance and Accountancy (CIPFA).

##### **4.13 Preparing for the Introduction of Self-Financing**

- 4.13.1 It will be necessary to make some changes to the way in which the Authority undertakes the landlord role. Some current strategies, policies and processes will need to be reviewed and adjusted, and some will need to be developed for the first time.
- 4.13.2 Many of the new self-financing arrangements in Wales such as new accounting practices are being put in place, but it is inevitable that some minor uncertainties will remain up until the end of March 2015.
- 4.13.3 The move to self-financing in April 2015 will not mean that the HRA is less accountable to the Authority and Elected Members. The Council will continue to be responsible for ensuring that:
- The HRA remains viable and is able to service and repay HRA debt;
  - All Council homes are brought up to WHQS by 2020 and are maintained at that standard. This will be a statutory duty from April 2015;
  - Services are provided to tenants and leaseholders in an appropriate way and to an agreed standard;
  - Complying with legislation including the new rent and service charge standards;
  - The statutory ring fencing of the HRA is maintained thus ensuring that tenant's rents are not used to support activities that should be funded by the Council Fund and vice versa.

#### 4.14 The Treasury Management Strategy

4.14.1 The Authority already has a Treasury Management Strategy, which is agreed annually by full Council alongside the Budget Report in February each year. The move to self-financing will require some changes to be incorporated within the Strategy, including borrowing to fund the Authority's share of the settlement figure, other priorities and the management of the debt. Authorities are required by the HRA Exit Agreement with HM Treasury to take PWLB loans to fund the settlement figure.

4.14.2 Once the Authority has bought itself out of the current HRA Subsidy arrangement, the Authority will need to put in place arrangements for the management of the HRA debt which will comprise of existing HRA debt, HRA settlement debt and new debt borrowed to deliver HRA capital schemes (WHQS). The Authority has a number of options available for the management of the HRA debt: -

**Option 1 - One Pool approach** - A single Pool for all debt (General (Council) Fund and HRA) including buy-out debt. This approach is a continuation of existing arrangements.

**Option 2 - Two Pool approach** - A notional exercise is undertaken to separate debt into a General Fund Pool and a HRA Pool. Both Pools will include respective old and new debt.

**Option 3 - Three Pool approach** - Existing loan debt (General Fund and HRA) will form one residual pool, which will reduce in value as loans are repaid at maturity or earlier. New debt will be split between the General Fund and the HRA and form two further separate Pools.

4.14.3 Appendix 4 sets out the advantages and disadvantages of all three options. It is recommended that the Authority adopts Option 2 (i.e. the two Pool approach) as this is the methodology supported by the Chartered Institute of Public Finance & Accountancy (CIPFA). A notional exercise will be required following the buy-out to de-pool existing debt in accordance with guidance issued by CIPFA and Welsh Government. The underlying principle for the splitting of loans, at transition, must be that of no detriment to the General Fund. Local Authorities are required to deliver a solution that is broadly equitable between the HRA and the General Fund. This process will result in a higher debt charge for the HRA based on the existing debt, with the General Fund receiving a consequential reduction. The exact value cannot be determined at this time as final guidance on the recharge mechanism is awaited from WG, but it is anticipated that circa £500 k of additional debt charge will need to pass from the General Fund to the HRA.

#### 4.15 The New Rent Policy

4.15.1 The Housing (Wales) Act 2014 introduces new powers for Welsh Ministers to set a rent standard and to issue guidance, which amplifies the standard. The Welsh Government will work collaboratively with the Local Authorities and Housing Associations to develop the rent standard and guidance.

4.15.2 The Welsh Government issued a new policy for Social Housing Rents, which was introduced for Housing Associations in April 2014 and will apply to Local Authorities from April 2015. It is expected that this rent policy will become the guidance on the rent standard. The policy will set a target rent band for each Authority and if the average weekly rent (excluding service charges) is below the target rent, the Authority will have to increase **average** rents, and if the **average** is above the target rent, **average** rents will increase at a lower rate. Authorities will be responsible for setting the rents of individual properties.

4.15.3 If an Authority needs to increase their average weekly rent so that it falls within the target rent band, transitional protection for tenants will apply so the rent for an individual tenant cannot be increased by more than £2 per week, in addition to the agreed annual rate of rent increases for the sector as a whole. Between 2015-16 and 2018-19, the maximum increase for any individual tenant is limited to CPI + 1.5% plus £2 per week.

- 4.15.4 When Authorities become self-financing, rental income and the local rent setting policy will be a major factor in the viability of the business plan. As from April 2015, all rental income will be retained by the Authority and used to fund expenditure, service debt and create borrowing headroom for investment in homes and services. Limiting rent increases will restrict the improvements that can be made to homes and services.
- 4.15.5 A decision on rent increases in any one year will not only affect financial viability of the business for that year, it will continue to affect viability in the long term as well. A report will be presented to Cabinet late January/early February 2015 in respect of decisions that will be required to comply with the new Rent Policy.
- 4.15.6 The introduction of the new rent policy should not impact on the buy out process other than that any reductions to future rent increases that are not linked to the business plan will have a detrimental impact on the affordability of the buy out as well as the viability to meet the WHQS.

#### **4.16 Capital Receipts**

- 4.16.1 Local Authorities have discretion whether to use capital receipts to fund capital expenditure or to repay debt, but as part of the HRA Subsidy calculation rules it is assumed that 75% of the HRA capital receipts are used to repay debt. The remaining 25% is retained to offset Housing capital expenditure
- 4.16.2 Typically this has meant that on an average of 20 sales per annum, which generates a capital receipt of £980k, 75% (£735k) is set aside to repay debt, and 25% (£245k) is used to assist the funding of the Housing capital programme. This has been assumed within the current business plan.
- 4.16.3 As the subsidy regime disappears there is a need to formally set out the treatment of HRA capital receipts, and the Minister for Housing and Regeneration agreed on the 13<sup>th</sup> August 2014 to the recommendations made by the HRAS accounting working group. This was to devolve responsibility to Local Authorities to decide how to utilise their own capital receipts as long as this is ring fenced to the HRA. This option provides the incentive to invest in good asset management strategies, i.e. invest in existing stock, invest in new build or repay debt.
- 4.16.4 This means that in the typical example above, a further £735k could be made available to fund the Housing capital programme, although in reality the debt costs still need to be repaid. Hence, even though the HRA will have flexibility in how it uses its capital receipts it is assumed at this stage that 75% is still used to repay debt.

#### **4.17 Service Charges**

- 4.17.1 The Housing (Wales) Act 2014 introduces new powers for Welsh Ministers to set a service charge standard and to issue guidance, which amplifies the standard. The Welsh Government will work collaboratively with the Local Authorities and Housing Associations to develop the service charge standard and guidance.
- 4.17.2 Every Landlord Authority provides some additional services for their tenants and leaseholders, whether this is grass cutting, CCTV or lighting to communal areas. Until recently, most Local Authorities have pooled service charges and often paid for services out of rental income. This has resulted in many Authorities losing revenue on the services they provide or unfair charging for services in that some tenants have been paying for services they do not receive.
- 4.17.3 The Welsh Government has not yet set a date when de-pooling has to be completed, but the expectation is that the process should be well underway in April 2015, with completion over the following 18 months – 2 years.
- 4.17.4 In CCBC, where additional services are received (i.e. sheltered schemes), the Authority



already distinguish between the rent and service charges, therefore de-pooling is not necessary. However, a working group has been set up to ensure that service charges for these tenants are more accountable, transparent and fully recoverable. The working group will also investigate service charges for other tenants where additional services may be required.

- 4.17.5 The requirement for de-pooling service charges should not impact detrimentally on the HRA Subsidy buy out or the business plan.

## **5. EQUALITIES IMPLICATIONS**

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

## **6. FINANCIAL IMPLICATIONS**

- 6.1 A table detailing the estimated savings if the HRA Subsidy buy out is successful are included in Appendix 3. In summary up to March 2020, it is anticipated that a revenue saving of £11.9 m will be generated for the HRA. Over the 30 year period it is anticipated that a saving of £37.9 m will be generated.
- 6.2 There is potential for additional capital receipts to be available for the HRA, although it would be prudent to not take these into account for the purposes of decision making in respect of the Buy Out.
- 6.3 There are also likely to be savings for the General Fund if the Buy Out is successful. These savings would be available to be used towards the 16/17 MTFP savings target.

## **7. PERSONNEL IMPLICATIONS**

- 7.1 None

## **8. CONSULTATIONS**

- 8.1 All responses from consultees listed below have been incorporated within the report.

## **9. RECOMMENDATIONS**

- 9.1 Council consider and agree that the Authority exits the HRA Subsidy arrangements prior to 2015/16, to enable the HRA to become self financing from April 2015
- 9.2 Council agree to borrow this Authority's share of the total settlement value currently estimated to be £84.8 m and notes that the final figure may be higher or lower.
- 9.3 Members endorse the Officer recommendation to use option 2 to calculate the HRA share of debt after 1 April 2015.
- 9.4 Members accept that a borrowing cap will be applied to the HRA after March 2015 as detailed in Appendix 2.
- 9.5 Members agree that this Authority enters into the voluntary legal Agreement in relation to the Buy Out subject to the Interim Head of Legal Services approving the terms of the Agreement to ensure the Buy Out is achieved.

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

- 10.1 To ensure that this Authority is able to participate in the HRA Subsidy buy out arrangements and accepts the restriction on HRA borrowing.

## **11. STATUTORY POWER**

- 11.1 Local Government and Housing Act 1989, Housing (Wales ) Act 2014.

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nicolescammell@caerphilly.gov.uk

Consultees: Steve Harris, Interim Head of Corporate Finance  
Gail Williams, Interim Head of Legal Services/Monitoring Officer  
Lesley Allen, Principal Accountant (Housing)  
Nadeem Akhtar, Group Accountant  
Chris Burns, Interim Chief Executive  
Phil Davy, Head of Programmes (WHQS)  
Shaun Couzens, Chief Housing Officer  
Cllr Keith Reynolds, Leader of the Council  
Cllr Gerald Jones, Deputy Leader & Cabinet Member for Housing  
Cllr Barbara Jones, Deputy Leader & Cabinet Member for Corporate Services

Background Papers:  
HRAS file

### Appendices:

- Appendix 1 Distribution of the Settlement Figure: Illustrative Figures from the July Consultation Document  
Appendix 2 Draft Figures – Breakdown of the Estimated Limit on Indebtedness at October 2014  
Appendix 3 Financial Implications of HRA Subsidy Buy Out  
Appendix 4 Options Available to the HRA for Management of Debt Post HRA Subsidy Buy Out

APPENDIX 1(1)

Distribution of the Settlement Figure: Illustrative Figures from the July Consultation Document

Local Housing Authority	HRAS settlement amounts (1)	Share of annual interest (2)	Reduction	Reduction	Share of estimated settlement value (3)
	£	£	£	%	£
Isle of Anglesey	1,695,873	930,779	765,094	45.12	21,396,292
Caerphilly	5,978,361	3,281,222	2,697,139	45.12	75,427,087
Cardiff	15,095,807	8,285,330	6,810,477	45.12	190,459,015
Carmarthenshire	6,234,522	3,421,816	2,812,706	45.12	78,658,989
Denbighshire	3,105,081	1,704,223	1,400,858	45.12	39,175,823
Flintshire	6,234,826	3,471,379	2,853,447	45.12	79,798,326
Pembrokeshire	6,373,758	3,498,235	2,875,523	45.12	80,415,686
Powys	5,660,823	3,106,941	2,553,882	45.12	71,420,811
Swansea	5,789,100	3,177,346	2,611,754	45.12	73,039,241
The Vale of Glamorgan	5,011,706	2,750,673	2,261,033	45.12	63,231,107
Wrexham	11,609,836	6,372,055	5,237,781	45.12	146,477,623
	<b>72,879,693</b>	<b>40,000,000</b>	<b>32,879,693</b>		<b>919,500,000</b>

Notes:

- (1) HRAS settlement amounts obtained from 2013/14 HRAS 2<sup>nd</sup> estimate claims HRAS 13-02(W).
- (2) Interest payments of circa £40 m required as part of the agreement with Treasury.
- (3) Estimated settlement value based on PWLB 30 year Maturity rate at 12 March 2013 of 4.35%.

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APPENDIX 2

DRAFT FIGURES

Breakdown of the Estimated Limit on Indebtedness at October 2014

Authority	LHA's estimated existing borrowing (1)	Borrowing to meet WHQS (2)	Borrowing for new build (3)	Modified SHG (4)	Sub Total	Settlement Value (5)	Estimated Limit on Indebtedness
Caerphilly	44,359,608	55,000,000		5,398,136	104,757,744	75,427,087	180,184,831
Cardiff	96,360,476		20,000,000	14,012,754	130,373,230	190,459,015	320,832,245
Carmarthenshire	125,470,702	14,400,000		6,251,593	146,122,295	78,658,989	224,781,284
Denbighshire	29,507,731	19,600,000		3,597,626	52,705,357	39,175,823	91,881,180
Flintshire	24,929,168	25,000,000	10,000,000	5,423,274	65,352,442	79,798,326	145,150,768
Isle of Anglesey	16,557,736		10,700,000	2,958,237	30,215,973	21,396,292	51,612,265
Pembrokeshire	4,214,860		13,000,000	5,260,279	22,475,139	80,415,686	102,890,824
Powys	14,734,526	18,200,000		6,712,357	39,646,883	71,420,811	111,067,693
Swansea	66,378,044	74,000,000		8,513,014	148,891,058	73,039,241	221,930,299
Vale of Glamorgan	2,079,670	33,900,000		5,174,229	41,153,899	63,231,107	104,385,006
Wrexham	26,086,114	118,000,000		4,719,866	148,805,980	146,477,623	295,283,604
<b>Total of 11</b>	<b>450,678,635</b>	<b>358,100,000</b>	<b>53,700,000</b>	<b>68,021,365</b>	<b>930,500,000</b>	<b>919,500,000</b>	<b>1,850,000,000</b>

Notes:

(1) LHA's "estimated" existing borrowing has been obtained from the 2013/14 Advance Final HRAS claims. LHA's "actual" existing borrowing will be obtained from 2013/14 Audited Final which will be available December 2014.

(2) The borrowing required to meet WHQS as identified in the Consultation in the distribution methodologies.

- (3) The borrowing required for New Build will provide four Las with 50% of the amount requested and identified in the Consultation.
- (4) Modified SHG amount is the amount that will be allocated across the 11 Las using this agreed formula. This will be used as the balancing figure to ensure that the total of existing borrowing. WHQS, new build & SHG adds to £930,500,000.
- (5) The estimated settlement is as set out in the Consultation. The Actual Settlement Value will be known on 31 March 2015 using the 30 yr maturity rate.

APPENDIX 3

**FINANCIAL IMPLICATIONS OF HRA Subsidy Buy Out**

	2014/15 (final year of subsidy)	2015/16	2016/17	2017/18	2018/19	2019/20	Total 2015/16 – 2019/20	Total 2020/21 – 2043/44	Total 30 year plan
<b>1 Borrowing costs</b>									
Savings									
HRAS Subsidy payments (as per latest Business Plan submitted to WG)*	- 6,896	-7,055	-7,256	-7,501	-7,781	-7,876	-37,469	-146,717	-184,186
Total cost of debt									
Minimum Revenue Position on £84.78m	-	-	1,696	1,662	1,628	1,596	6,582	30,046	36,628
Interest on £84.78m**	-	3,281	3,281	3,281	3,281	3,281	16,405	78,746	95,151
<b>Total</b>		<b>3,281</b>	<b>4,977</b>	<b>4,943</b>	<b>4,909</b>	<b>4,877</b>	<b>22,987</b>	<b>108,792</b>	<b>131,779</b>
Estimated de-pooling charges		500	500	500	500	500	2,500	12,000	14,500
<b>Net Saving</b>		<b>-3,274</b>	<b>-1,779</b>	<b>-2,058</b>	<b>-2,372</b>	<b>2,499</b>	<b>-11,982</b>	<b>-25,925</b>	<b>-37,907</b>
<b>2 Capital Receipts</b>									
Current 25% retained (of estimated sales of 20 homes per annum)	247	254	260	267	274	281	1,337	9,287	10,624
Proposed 100% retained		1,015	1,041	1,069	1,096	1,125	5,346	37,148	42,494
<b>Additional flexibility (if required)</b>	<b>-</b>	<b>761</b>	<b>781</b>	<b>802</b>	<b>822</b>	<b>844</b>	<b>4,010</b>	<b>27,861</b>	<b>31,871</b>

\*Members are advised that actual subsidy payment have been on average £6.5 m over the past 4 years, which tends to be lower than the estimates calculated in the Business Plan. This is due to the assumptions used in the plan (as advised by WG) actually being more favourable in reality, thus reducing the actual subsidy payment. Hence the above calculation could be overstated by approx £800k per annum up to 2019/20.

\*\*Interest is calculated as per the HM Treasury's requirement of replacing the subsidy payments with an interest payment of £40m from all the eleven LA's. This is based on an interest rate of 3.87% of the settlement figure, which is a reflection of the current PWLB 30 year maturity rate. The above is CCBC's estimated apportionment of the £40m based on this rate. As explained in the report, the interest rate on the transaction day will determine the settlement figure.

\*\*\*De-pooling charges are as a consequence of the need to change the TM Strategy to accommodate the self financing arrangement. The costs are likely to reduce over time but are kept constant for the purpose of this report.



### **Options Available to the HRA for Management of Debt Post HRA Subsidy Buyout**

The Authority is required to raise a PWLB loan of £75.4m (subject to final confirmation). The loan proceeds will be paid over to Welsh Government, who in turn will repay HM Treasury, and effectively the Authority will have bought itself out of the HRA subsidy arrangement. The raising of the new loan and payment to Welsh Government will take place on the same day (02 April 2015). Therefore Welsh Local Authorities with housing stock are required to deliver a buyout solution that is broadly equitable between the Housing Revenue Account (HRA) and the General Fund.

A number of options are available to the Authority that will enable the management of the existing and new debt for the HRA and the General Fund, as follows: -

#### **Option 1- One Pool Approach**

A single Pool for all debt (General Fund and HRA) including buy-out debt. This approach is a continuation of existing arrangements.

Advantages: -

- A “Do nothing” approach. Very little work will be required from an administration perspective other than registering the loan details in the Treasury Management system and an annual recharge to the HRA of loan costs (as per existing arrangements).

Disadvantages: -

- Volatility in the HRA Consolidated Rate of Interest (CRI) (effectively the HRA pool rate). This arises as a result of the General Fund borrowing money.
- HRA benefits from the General Fund internal borrowing and therefore HRA receives a lower interest recharge, though this may change once Welsh Government have issued guidance on the new Item 8 Determination (the recharge mechanism).

#### **Option 2- Two Pool Approach**

A notional exercise is undertaken to separate debt into a General Fund Pool and a HRA Pool. Both pools will include respective old and new debt. Debt is de-pooled using CIPFA's Capital Financing Requirement methodology.

Advantages: -

- HRA is charged its fair share of debt costs.
- HRA has a stable Consolidated Rate of Interest (CRI) as pooled debt is not affected by General Fund borrowings.
- Simple to administer once the initial de-pooling of loans is undertaken and appropriate documentation set up.
- HRA debt costs are not subsidised by the General Fund
- Internal borrowing/under borrowings are easily identifiable between HRA and the General Fund as debt is accounted for separately.

- **The Chartered Institute of Public Finance & Accountancy (CIPFA) favours this approach but ultimately it is the Authority's decision as CIPFA recognises that debt structures will vary from one local authority to another.**

Disadvantages: -

- Some administrative work will be required initially to de-pool the existing debt and set up records. There will be ongoing workflow around monitoring levels of existing debt upon maturity but on the whole this will not be an administrative burden.

### **Option 3- Three Pool Approach**

Under this approach the existing loan debt will form one residual pool, which will reduce in value as loans are repaid at maturity or earlier. Borrowing for new capital expenditure, including the settlement payment, WHQS, additional loans to cover under-borrowing and replacement loans would then be allocated to the two new separate pools, one for the HRA and one for the General Fund.

Advantages: -

- Avoids the need to split existing loans.
- Internal borrowing/under borrowings arising after the Subsidy Buyout are easily identifiable between the HRA and the General Fund as new debt is accounted for separately.
- HRA debt charges are not affected by General Fund borrowing decisions as new debt is kept separately.

Disadvantages: -

- Difficult to administer (a number of recharges are required for old and new debt).
- HRA existing loans will have a volatile Consolidated Rate of Interest (CRI).
- HRA existing loans benefit from General Fund under borrowings, resulting in a lower recharge.



## CAERPHILLY HOMES TASK GROUP – 19TH FEBRUARY 2015

**SUBJECT: PROCUREMENT UPDATE REPORT**

**REPORT BY: ACTING DIRECTOR OF CORPORATE SERVICES AND SECTION 151 OFFICER**

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### 1. PURPOSE OF REPORT

- 1.1 The purpose of the report is to provide a procurement update to the CHTG on the current position and delivery of Procurements in relation to the WHQS Programme.

### 2. SUMMARY

- 2.1 There is an extensive range of procurement activity associated with the WHQS Programme. The major contract arrangements are in place in accordance with the contract structure agreed in September 2012. There is ongoing activity associated with mini competitions and the small lots. Circumstances on the ground have also led to many ad hoc additional requirements and it is anticipated these will continue to be a feature as the programme is progressed to 2020.

### 3. LINKS TO STRATEGY

- 3.1 The Welsh Housing Quality Standard (WHQS) is intended to ensure that all local authority and housing association homes are improved and maintained to achieve specified standards.
- 3.2 The Single Integrated Plan 2013-2017 has a priority to “Improve standards of housing and communities, giving appropriate access to services across the County Borough.”
- 3.3 The Council’s Local Housing Strategy “People, Property, and Places” has the following aim:  
“To provide good quality, well managed houses in communities where people want to live, and offer people housing choices which meet their needs and aspirations.”

### 4. THE REPORT

- 4.1 Since our last report the number of Procurements has increased significantly. The Procurement activity has now been centralised within the corporate procurement function as per the recommendations of the CGI report (2013). A schedule of the current WHQS Procurements is attached as **Appendix 1**. To date 127 contracts/frameworks/mini competitions and small lots have been successfully awarded. In the region of 29 contracts/frameworks/mini competitions are currently progressing.
- 4.2 The main anchor contracts for the programme being the Supply Partner, Internal and External Works Contracts, DLO Sub Contractor Framework and the Small Lots have now all been awarded.

4.3 These contracts are in various stages of implementation.

#### 4.3.1 The Supply Partner

The Supply Partner has now been fully operational for over 12 months. The contract is working well, with positive results in terms of development of the local supply chain and innovative working practices for the Authority. Officers will be continuing the partnering approach within the coming months to drive innovation and efficiencies for the Authority.

#### 4.3.2 DLO Sub Contractor Framework Agreement

This Framework has been fully operational since September 2013.

To date 113 mini competition processes have been undertaken from the framework agreement. The Framework is functioning well with a limited number (3) of processes which have resulted in no competition due to specification issues. The remainder of successful processes have resulted in increased discount rates being achieved, which demonstrates value for money to the Authority.

Out of the 110 completed, 106 were awarded to local SME's of which 58 of these were based within the Caerphilly Borough.

This evidences that the work issued to date has resulted in 96.37% being awarded to local SME's and 52.73% to contractors based within the Caerphilly Borough.

#### 4.3.3 WHQS Internal Works Contract

The Internal Labour and Materials arrangement was awarded on 01 July 2014. Pre contract meetings have been undertaken with all three contractors accepted onto the contract as follows:

Lot 1 - Eastern Valley - Keepmoat Regeneration

Lot 2 - Upper Rhymney Valley – Vinci Facilities

Lot 3 - Lower Rhymney Valley – Contract Services (South Wales) Ltd

All three contractors have commenced work within their respective areas and Officers from within the WHQS team are currently managing the contractor's performance moving forward.

#### 4.3.4 WHQS External Works Framework Agreement

The External Labour and Materials Framework Agreement will commence on the 01 February 2015. Contract Award letters issued 22<sup>nd</sup> January 2015.

12 Contractors have been accepted onto each lot of the framework, which has been awarded as follows:

Lot 1 – Works Packages below £750,000.00

Lot 2 – Works Packages above £750,000.00

The Contractors awarded on the Framework are a mixture of SME's and National Companies, however, Lot 2 includes a collaborative bid from Allied Construction Consortium Ltd. The Consortium comprising of 4 individual entities who have come together to form a new Company. The Company submitted their bid following extensive advice and guidance from the Authority's Supplier Relationship Officer and Wales Co-Operative, the bid is thought to be one of the first consortium bids to be accepted in line with the Value Wales Joint Bidding Guide. 3 of the 4 Members of the Consortium are Caerphilly based businesses.

#### 4.3.5 Small Lots Packages of Works

The principles of establishing a Small Lot Contractor List (2014/15) was conducted in line with EU Regulations. The first Small Lot Contractor List (2014/15) has been in operation for 12 months. In order to qualify for the Small Lot Contractor List Contractors were required to have a branch office and location of work within the borough.

5 packages of work have been let off the Small Lot Contractor List (2014/15) with a further 4 to be awarded by the second week of February 2015.

### 5. EQUALITIES IMPLICATIONS

- 5.1 This is an information report therefore there are no potential equality implications and no requirement to complete the Equalities Impact Questionnaire.

### 6. FINANCIAL IMPLICATIONS

- 6.1 All the contract arrangements are funded through the financial provisions within the Housing Review Account for the WHQS Programme.

### 7. PERSONNEL IMPLICATIONS

- 7.1 There are no personnel implications contained within the report.

### 8. RECOMMENDATIONS

- 8.1 It is recommended that the content of the report be noted.

### 9. REASON FOR RECOMMENDATION

- 9.1 To meet the request of the Caerphilly Homes Task Group to be updated on WHQS procurements.

### 10. STATUTORY POWER

- 10.1 Housing Acts 1985, 1996, 2004.

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Consultees: Elizabeth Lucas, Head of Procurement  
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Shaun Couzens, Chief Housing Officer  
Marcus Lloyd, WHQS Deputy Head of Programmes

Appendices:  
Appendix 1: WHQS Progress Report – Procurement Progress Report

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## WHQS Procurement Progress Report - 26/01/2015

Contracts Awarded					
Contract Reference Number	Contract Title	Contract Status	Lead Procurement Officer	Lead Technical Officer	Comments / Outstanding Actions
PS1106	Building Materials Supply Partner	Awarded	Liz Lucas	Colin Roden, Alan Edmunds & Steve Greedy	Contract awarded
PS1098	DLO Sub Contractor Framework	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Framework awarded
MC1000006	INT13D-L06 - Lower Rhymney Valley Flooring Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000008	INT13EL-U04 Upper Rhymney Valley Electrical Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000009	INT13EL-U04A-Upper Rhymney Valley Electrical Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000010	GarElm1 Eastern Rhymney Valley General Building	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000011	GasFair1 Eastern Rhymney Valley General Building	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000012	GarSyc1 Eastern Rhymney Valley General Building	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000013	INT13H-U05 Upper Rhymney Valley Mechanical Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000014	INT13D-L06/08 Lower Rhymney Valley Mechanical Work	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000015	INT13H-E0602 Eastern Rhymney Valley Mechanical Work	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000016	INT13H-E0601 Eastern Rhymney Valley Mechanical Work	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000018	INT13D – U9-Upper Rhymney Valley Wall Tiling	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000019	INT13D – U10-Upper Rhymney Valley Wall Tiling	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000020	INT13EL-U06 Upper Rhymney Valley Flooring Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000021	INT13EL-U09 Upper Rhymney Valley Flooring Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000022	INT13EL-U11 Upper Rhymney Valley Electrical Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded

MC1000023	INT13H – U06 Upper Rhymney Valley Mechanical Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000024	INT13D – U06 Upper Rhymney Valley General Building	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000025	INT13D-E09 Eastern Rhymney Valley Flooring Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000026	INT13D-E08 - Eastern Rhymney Valley Flooring Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000027	INT13D-E05-Eastern Rhymney Valley General Building	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000028	INT13EL-E08-Eastern Rhymney Valley Electrical Work	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000029	INT13EL-U06-Upper Rhymney Valley Electrical Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000030	INT13H-E0702Eastern Rhymney Valley Mechanical Work	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000031	INT13H-E0701Eastern Rhymney Valley Mechanical Work	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000032	INT13D – U06 Upper Rhymney Valley Painting Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000033	INT13D - U06 Upper Rhymney Valley Tiling Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000034	INT13D - U02 Upper Rhymney Valley Mechanical Works	Not Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Not Awarded - No Response
MC1000035	INT13D - E08H Eastern Rhymney Valley Mechanical Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000037	INT13H - E0703 Eastern Rhymney Valley General Building	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000038	INT13D - U06 Upper Rhymney Valley Damp Proof Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000039	INT13E - U09 Upper Rhymney Valley Electrical Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded



MC1000040	INT13H - U09 Upper Rhymney Valley Mechanical Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000041	MATURG001 Upper Rhymney Valley Mechanical Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000042	INT13D - L06&08 Lower Rhymney Valley Electrical Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000046	Heating / South / 01 Lower Rhymney Valley Mechanical Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000047	INT13D -U09 Upper Rhymney Valley Tiling Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000049	MATURG002 Lower Rhymney Valley Mechanical Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000050	INTD-L09&10 Lower Rhymney Valley Flooring Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000051	INT13H-U10 Upper Rhymney Valley Mechanical Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000052	Gar / Almond / Manor001 Eastern Rhymney Valley General Building	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000053	Gar / Rowen / Tanybryn002 Eastern Rhymney Valley General Building	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000055	Gar / Thistleway 004 Eastern Rhymney Valley General Building	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000056	INT14D - L09/10 Lower Rhymney Valley Mechanical Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000057	INT14D L09/10 Lower Rhymney Valley Tiling Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000058	INT13D - L10 Lower Rhymney Valley Electrical Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000059	EME -01 Upper Rhymney Valley Mechanical Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000060	Maturg003 Eastern Rhymney Valley Mechanical Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000061	Maturg004 Eastern Rhymney Valley Mechanical Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000063	INT14D-E13 Eastern Rhymney Valley	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000065	MAT urg005 Eastern Rhymney Valley	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded

MC1000067	INT14D-E10 Eastern Rhymney Valley Flooring Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000068	Mat urg006 Eastern Rhymney Valley Mechanical Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000070	INT13D-E09A, Kitchen & Bathroom asbestos removal, Pantside	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000071	INT13d-U09, Kitchen & bathroom asbestos removal	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000072	Mat urg007 - Heating Monmouth Walk, East Area	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000073	Gar/elm phase002 -Garage Repairs Ty Sign Elm Drive	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000074	Gar/elm phase003 -Garage repairs Ty Sign Elm Drive	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000075	INT14D-E12-H Eastern Rhymney Valley works Lot2	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000076	Heating works, 51 Fleur de Lys Ave & 3 The Grove	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000077	Mat urg009 Eastern Rhymney Valley Mechanical Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000078	INT14D-E10 Eastern Rhymney Valley Asbestos Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000080	INT14E-L11 Lower Rhymney Valley Electrical Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000081	HP-PJ 22-04-2014 Emergency Heating	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000082	HP-GP-24-04-14 Emergency Heating	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000083	Mat urg0010 - Heating works - lot 2	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000086	INT14D-L11 - Flooring at Tegfan & Third Ave, LRV	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000089	INT14P-L01A, Painting at Bronmynydd, Abertridwr	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000090	HP-GP-09-05-14, Heating Renewals	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000092	INT14E-U12A Electrical rewires, Golwg y Mynydd	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000094	Emergency Heating Installs, Lot 2	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000095	HP-NR-20-05-14, Heating Renewals, Lot 2	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded

MC1000097	EXT14P-L01B Painting at Llan Road, Abertridwr	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000098	INT14D-U11 BRYN CARNO UPPER RHYMNEY VALLEY	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000099	HP-NR-23-05-14 Emergency Heating Installations	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000100	INT14D-U12 Upper Rhymney Valley Flooring Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000101	INT14E-U12B Electrical Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000102	HP-GP-28-05-14 Heating renewals East	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000103	HP-PJ-29-05-14 Heating Renewals	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000104	INT14D-L10 Asbestos Removal	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000105	HP-GP-04/06/14 Heating Renewals (East and North)	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000106	INT13EL-L03, Electrical Works, 57 Ty Nant	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000107	INT14EL-L13 Electrical works The Crescent Trecenyd	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000108	30014787/A - Trinant compound	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000109	INT14D – L12 & L13 Lower Rhymney Valley	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000110	Extdis/pant/001 External Disability Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000111	Extdis/pant/002 External Disability Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000114	INT14D – U13 WHQS Coed Y Haf Asbestos Removal	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000115	EXT14P-L01C Painting at Various streets, A'tridwr	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000116	Lot 4 Roofing Works - Works under £1000	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000117	Lot 5 - Hardwood & PCVU Windows and Doors < £1000	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000118	Lot 6 - Internal & external Painting works < £1000	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000119	Lot 7 - Wall Tiling works under £1000	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000120	Lot 8 - Sheet flooring works under £1000	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000121	Lot 9 - External Render works under £1000	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded

MC1000122	Lot 3 - Electrical Works - Works Under £1000	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000123	Lot 2 - Mechanical Works - Works Under £1000	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000124	Lot 1 General Building - Works Under £1000	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000125	Lot 2 Mechanical Works - Partial Heating Repairs	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000126	EXT14P-L01 Roofing Works at Abertridwr	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000127	Removal of Wall Cavity Insulation at Rowan Place	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000130	Lot 1 - INT14D-U01, General building Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000131	Lot 1 - INT14D-L14, General works at East Ave, Treceenydd	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000132	Lot 3 - INT14D-L14, Rewire 3 Houses, Treceenydd	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000133	INT14D-U19 Rowan Place Asbestos Removal	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000134	INT14D-L16 Electrical Works	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000135	EXT14P-L01C - Ext Wet Trade Works in Abertridwr	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000138	INT145D-U15 Cefn Road Electrical Rewires	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000142	EXT14D-L01 Asbestos Removal 17 Bryngelli Terrace	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000147	EXT14D-L03 / 3001 5912	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000148	EXT14D - L03 / 3001 5912	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000149	INT14D-U15 Asbestos Removal	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
MC1000150	EXT14D-L01/3001590 WHQS PS1098 LOT4	Not Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Not Awarded - No Response
MC1000151	INT14D-L12 Grange Close Loft Insulation Lot 1	Not Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Not Awarded - No Response
MC1000157	INT14D-E12/15 - Kitchen & Bathroom Painting Response	Awarded	Rebecca Francombe	Colin Price, Paul James, Lee Filer, Colin Roden	Contract awarded
EQ1302	Housing Improvement Partnership Consultant	Awarded	Anne Knibbs	Mandy Betts and Liz Bayliss	Contract awarded
PS1115	Internal Works Labour and Materials	Awarded	Derek Morris	Colin Roden, Alan Edmunds & Steve Greedy	Contract awarded

PS1293	Supply, Servicing and Maintenance of the Authority's Telecare and Telehealth service	Awarded	Rhys James	Housing - Ben Ollier	Contract Awarded
PS1264	Mortgageable Standard Structural Component Replacement & refurbishment for PRC Non-traditional Properties	Awarded	Wayne Thomas	Colin Roden, Steve Greedy	Contract Awarded

MC1000145	Small Lots Contract E002b Farm Close, Oakdale	Issued	Nick Abbott	Steve Greedy & Jeremy King	Contract awarded
MC1000146	Small Lots Contract E001a Mountain View, Markham	Issued	Nick Abbott	Steve Greedy & Jeremy King	Contract Awarded
PS1211	Small Lots	Selection Process Completed	Nick Abbott	Steve Greedy & Jeremy King	Contract Awarded
MC1000096	Small Lots E07 E07 Monmouth Walk / Commin Close	Awarded	Nick Abbott	Steve Greedy & Jeremy King	Contract awarded
MC1000136	Small Lots Contract E006a Penylan Rd. Odd Nos.	Issued	Nick Abbott	Steve Greedy, Jeremy King & Colin Roden	Contract Awarded
n/a	Heating Consultancy	Completed	Nick Abbott	Colin Roden, Philip Jones, Nicholas Richards	Client given contact details and progressing directly with Consultants.
MC1000157	Mini Comp - Painting Works	Issued	Wayne Thomas	Keston Lewis	Awarded
BC4063	Periodic Testing of communal areas within sheltered schemes	Scoping	Wayne Thomas	Colin Roden	WHQS can use the Building Consultancy arrangement
PS873	Servicing and Maintenance of Passenger Lifts	Information issued to client department	Rhys James	Colin Roden	RJ provided contract documentation to Colin Roden for Review - Possible Mini-Competition to be undertaken.
ESPO98	Purchase /Lease of White Goods	Framework Information issued to client department	Wayne Thomas	Colin Roden	Met with Joanne Green - issued her ESPO arrangement details for Commercial Kitchen Equipment. Maintenance agreement being undertaken by Anne Knibbs for laundry equipment. Enquiries with BC about utilising kitchen equipment maintenance arrangement.
NPS0004	Procurement of Professional Services e.g. Quantity Surveyors, Building Surveyors, Structural Surveyors including Heating Consultants	Information issued to Marcus Lloyd	Wayne Thomas	Colin Roden	NPS Professional services arrangement awarded. User guidance issued by NPS

## WHQS Procurement Progress Report - 26/01/2015

Contracts in Progress					
Contract Reference Number	Contract Title	Contract Status	Lead Procurement Officer	Lead Technical Officer	Comments / Outstanding Actions
<b>Nick Abbot - Small Lots</b>					
MC1000152	Small Lots Contract E006b Mountain View, Markham	Issued	Nick Abbott	Colin Roden & Steve Martin	Reduced Number of Tenders Approval Received. Progressing report and award. Anticipated award in w/c 26/01/15.
PS1313 & PS1314	Small Lots New Selection Process	Finalisation of Documents	Nick Abbott	Colin Roden & Steve Martin	Evaluations being progressed with tenants. Anticipated completion of selection process by 17/02/15.
MC1000154	Small Lots Contract E002a Penmaen Corner, Ivybush	Issued	Nick Abbott	Colin Roden & Steve Martin	Tender returned 16/01/15. In evaluation. Anticipated award by 09/02/15.
MC1000155	Small Lots Contract E001b James Street, John Street	Issued	Nick Abbott	Colin Roden & Steve Martin	Tender returned 16/01/15. In evaluation. Anticipated award by 09/02/15.
MC1000156	Small Lots West View, Park View, Groveside Road	Issued	Nick Abbott	Colin Roden & Steve Martin	Tender returned 16/01/15. In evaluation. Anticipated award by 09/02/15.
<b>Nick Abbot - Other Contracts</b>					
PS1178	Housing Repair Operations Support Framework	In Progress	Nick Abbott	Paul Smythe	<p>Following review of opportunities out to market to local suppliers (Minor and Major Works, Small Lots, Small Lots Selection) intended that ITT will be issued in after Christmas to give better opportunity for local suppliers to respond. Issue delayed in agreement with client department until after 18/01/15 due to Proactis e-tendering system supplier side upgrade. New timeline to be prepared once system is confirmed as up and running.</p> <p>Agreement to use self declaration process - documents to be updated to reflect this - client dept aware and supportive of approach.</p> <p>Final review of ITT documentation completed by client, some minor amendments needed. Also updated Schedule of Rates received from client for inclusion.</p>
TBC	Personal Lifting Equipment Including Stairlifts	Scoping	Nick Abbott	Colin Roden, Fiona Wilkins, Carl Spearman	<p>Clients instructed to develop specification to run mini-comp off YPO framework for maintenance and service.</p> <p>Some information received from client departments regarding CCBC specific requirements, clients still working on other aspects in order to develop ITT and fit for purpose strategy. Matters to be progressed.</p> <p>Written confirmation on points from YPO requested but not yet received.</p>
PS1244	Minor and Major Works	PQQ	Nick Abbott	Fiona Wilkins, Carl Spearman, Brian Fuller, Allan Elliot	Evaluations progressing with dates scheduled throughout January.
PS1285	ECO Projects Tender	Evaluation Stage	Nick Abbott / Nichola Eades	Steve Martin	Tender being evaluated and awarded in conjunction with client. Reduced number of tenders received, also both bids qualified therefore working with client to resolve issues.

Rhys James					
TBC	Screens for Void Properties	Awaiting Specification from client	Rhys James	Colin Roden	CR confirmed Trial is not required - Awaiting Specification from client to progress with the use of the framework
TBC	Supply of Mobile Working	Checking that previous direct Award for this arrangement is suitable for all of the client departments requirements	Rhys James	Shaun Couzens	RJ checking that previous direct Award for this arrangement is suitable for all of the client departments requirements
G-Cloud Framework	Common Housing Register IT Systems	Preparing Tender Documentation	Rhys James	Mark Jennings	Supplier review meeting arranged for <b>27/01/2015</b> with full project team to review products and systems that can be offered.
EQ1340	Electrical Upgrade at Hafod Deg, Rhymney	Evaluation Stage	Rhys James	Alun Edmunds	Evaluations issued to Project Team on <b>19/01/2015</b>
EQ1341	Heating System Renewal at Hafod Deg, Rhymney	Evaluation Stage	Rhys James	Alun Edmunds	Evaluations issued to Project Team on <b>19/01/2015</b>
TBC	Gas Servicing and Flue Checks for Leaseholders & APR's	Scoping	Rhys James	Colin Roden	Currently scoping new contract, possible inclusion in new main Gas Servicing arrangement.
Wayne Thomas					
Page 54 TBC	Servicing & Maintenance of Roller Shutter Doors inclusive of Automatic Opening Entrance Doors	Scoping	Wayne Thomas	Colin Roden	Beginning Scoping of Process
TBC	Utility Supplier for New Tenants	Awaiting Specification from client	Wayne Thomas	Colin Roden	Met with Steve Martin to discuss requirements. Strategy agreed, SM to provide brief of requirements for notice to be issued on Sell2wales.
PS1322	Sub contractor Roofing & Asbestos Tender	Tender Issued	Wayne Thomas	Alun Edmonds	Tender issued - Return date Friday 06 February 2015
TBC	Clothing - WHQS	WPC Clothing POAT issued	Wayne Thomas	Richard James	Met with WHQS Project Team on Tuesday 20 January 2015, mini competition to be undertaken
TBC	Ad hoc contracts that arise from time to time as a result of having to respond to specific circumstances outside the planned WHQS Programme, including remodelling works to a number of our sheltered schemes and works of adaptation etc	As and when required	Wayne Thomas	Colin Roden	As and when required
TBC	Mini Comp - Painting Works	Preparing tender documents prior to issuing	Wayne Thomas	Alun Edmunds	Currently preparing tender documents prior to issuing



PS1290	WHQS External Works (New Process)	Standstill Period	Derek Morris	Colin Roden	Final award letters issued on the 22 January 2015. Morgan Cole is currently reviewing the framework agreements prepared by Procurement and contract documentation. All contract documentation will need to be signed prior to award of mini competition.
PS1290	WHQS External Works mini competition	Currently working with Technical Officers on preparing mini competition tender templates	Derek Morris	Colin Roden	Mini Competition documents received from WHQS Technical Officers although further discussions are required to agree on the tender templates for use moving forward. Document review and upload into the eprocurement system will take 7 to 10 days depending on information received.
TBC	Additional Small lots and Commercial Building works to be undertaken	Awaiting clarity on works required	Derek Morris	Marcus Lloyd	Additional works discussed at Project Board on 12/01/2015. Awaiting clarity on works required
TBC	Possible tender process/es for works to Sheltered Housing Complexes	Strategy to be agreed at Project Board	Derek Morris	Phil Davy	Liz Lucas and Derek Morris have met with Phil Davy and the WHQS team to discuss. Agreed that further discussions would take place in Project Board on 26/01/2015.
Mike O'Leary					
TBC	Shed Roof Replacement - South Area	Issued for quotations	Mike O'Leary	Keston Lewis	Quotations will be evaluated on 20th January 2015
<b>Rebecca Francombe</b>					
TBC	Mini Comp - Flooring Works	Preparing tender documents prior to issuing	Rebecca Francombe	Alun Edmunds	Currently preparing tender documents prior to issuing
TBC	Mini Comp - Flooring Works	Preparing tender documents prior to issuing	Rebecca Francombe	Alun Edmunds	Currently preparing tender documents prior to issuing

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## CAERPHILLY HOMES TASK GROUP – 19TH FEBRUARY 2015

**SUBJECT: HRA STAFF TURNOVER REPORT 2013/14**

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

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### 1. PURPOSE OF REPORT

- 1.1 In response to Cllr L Ackermans request at the CHTG meeting of the 18th September 2014 for a breakdown of the salary savings that was reported in the Housing Revenue Account (HRA) Outturn report 2013-14.

### 2. SUMMARY

- 2.1 The Housing Revenue Account Outturn Report which was presented to CHTG on the 18<sup>th</sup> September shows the final outturn for the HRA for the 2013/14 financial year. As part of the overall underspend it was noted from the report that £597k represented salary savings. The report also noted that ....*“There are a variety of reasons for this given the volume of staff, but the main causes are staff turnover £400k, and other savings such as long term sickness, opted out pension savings and vacant posts, offset by standby overtime...”*

Cllr L Ackerman requested that a more detailed breakdown be presented at the next available opportunity.

### 3. LINKS TO STRATEGY

- 3.1 The content of the HRA Outturn Report is in accordance with the budget strategy considered by the Council at its meeting of 27th February 2013. Cabinet approved the HRA estimates on the 5th February 2013. This report is an extension of the HRA Outturn Report.
- 3.2 Budget management itself is in accordance with the Corporate theme of Delivering the Strategies.

### 4. THE REPORT

#### 4.1 Introduction

- 4.1.1 The following paragraphs explain the breakdown of the salary underspend of £597k achieved in 2013/14. It is worth noting that the total salary budget for the HRA (excluding capitalised salaries) is £9.1m so the underspend of £597k represents about 6.5% of the budget.

## 4.2 Staff Turnover (£427k)

- 4.2.1 Staff turnover includes the delay in filling budgeted posts, covering of staff who are absent (either on maternity or sickness) and the consequence of staff moving internally between departments. This is the main reason of the salary savings achieved in 2013/14 and represents 71% of the total underspend.
- 4.2.2 The main areas of service that experienced the highest level of underspend due to staff turnover was the Sheltered Housing Service £123k and the Housing Repairs Operations £140k.
- 4.2.3 The Sheltered Housing Service employs 35 staff, the majority of which are Sheltered Housing Officers (previously wardens). Members of the CHTG will be aware that this service has experienced a full review as part of the promise to tenants contained in the Councils Housing Stock transfer offer that was accepted during the ballot in February 2012. The aim of the review was to establish ways of developing an improved service to tenants in sheltered housing and to other older tenants living outside of the sheltered schemes.
- 4.2.4 The review recognised amongst other things, that the sheltered housing service delivered a traditional service which did not meet the high quality standards required by stakeholders. Therefore a cluster based service delivery model was recommended which subsequently allowed for certain roles to be absorbed within the cluster model and also for natural wastage via retirement. The service has seen a reduction in 10 posts over the past year. This has resulted in a saving of £123k with further savings expected in 2014/15. The service has also benefitted from the appointment of 4 Floating Support Officers and an Activities Coordinator, all of which is funded by Supporting People Grant on fixed term contracts.
- 4.2.5 The Housing Repairs Operations Service employs over 145 staff and this was the first year of operating under the HRA regime since its merger from the DLO trading account in April 2013. To operate a demand led service requires constant adjustment to the staff resources to ensure efficiency and tenant satisfaction is maintained. Therefore a high turnover of staff is inevitable in particular employing agency workers on short term contracts to meet demand. In the 2013/14 financial year budget provision was made for agency trades which were not utilised. This has resulted in a saving of some £140k although this was offset by overtime offered to existing staff to maintain service delivery (see 4.4 below). Customer satisfaction levels have remained high and the backlog of repairs has been maintained.

## 4.3 Vacant posts (£300k)

- 4.3.1 This relates to posts that were budgeted for but were not filled. A breakdown over service area is as follows
- Strategy & IT Performance £71k
    - Strategy Manager £62k - *on hold pending structure review*
    - IT Informations Asst (50%) £9k - *subsequently deleted from the structure*
  - Allocations £40k
    - Senior Allocations Officer - *subsequently appointed*
  - Public Sector Housing £147k
    - Specialist EMO £40k - *on hold pending structure review*
    - Assistant Manager £40k - *subsequently absorbed within area restructure*
    - Area Maintenance Officer £36k - *subsequently deleted from structure*
    - 2 x Clerical Officers £31k – *1 subsequently appointed and 1 absorbed within area restructure*
  - Housing Repairs Operations £22k
    - Clerical Officer – *Utilised resource via Passport scheme*

- WHQS Support £20k
  - Clerical Officer - *Utilised resource via Passport scheme*

#### 4.4 **Overtime -£146k overspend**

4.4.1 Overtime was an additional cost within the Housing Repairs Operations service as a consequence of addressing service delivery with the current staff resources. As explained in 4.2.6, this was funded by the underspend on those budgets not utilised. Overtime working is used in order to address increases in demand and the winter months of 2013/14 were the wettest recorded for many years which resulted in an increased number of repairs reported.

#### 4.5 **Other £15k**

4.5.1 As mentioned in earlier reports, the HRA has a variety of reasons for staffing variances due to the high volume of staff within the service. The main reasons have been outlined above. The remainder of the underspend in 2013/14 is down to smaller savings mainly attributable to budget adjustments (variance on SCP points once appointed), a reduction in working hours or opting out of the pension scheme.

### 5. **EQUALITIES IMPLICATIONS**

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

### 6. **FINANCIAL IMPLICATIONS**

6.1 There are no financial implications as this is an information report. However it is worth mentioning that any underspends from the HRA are retained within the service and re-invested back into housing stock as part of the WHQS initiative.

### 7. **PERSONNEL IMPLICATIONS**

7.1 There are no personnel implications.

### 8. **CONSULTATION**

8.1 There are no consultation responses, which have not been included in this report.

### 9. **RECOMMENDATIONS**

9.1 Members are requested to note the contents of this report

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

10.1 To address the request of Cllr L Ackerman as noted in 1 and 2 above.

Author: Lesley Allen - Group Accountant, Housing.  
(E-mail: allenl@caerphilly.gov.uk)

Consultees:

- Chris Burns – Interim Chief Executive
- Nicole Scammell - Acting Director of Corporate Services & Section 151 Officer.
- Mike Eedy - Finance Manager, Environmental Directorate.
- Kenyon Williams - Private Sector Housing Manager
- Shaun Couzens – Chief Housing Officer
- Graham North - Public Sector Housing Manager
- Paul Smythe – Housing Repairs Operations Manager
- Phil Davy – Head of WHQS Programme
- Stephen Harris – Acting Head of Corporate Finance
- Cllr G. Jones – Deputy Leader and Cabinet Member for Housing
- Cllr D. Price - Chair Caerphilly Homes Task Group
- Clive Davies – Vice Chair Caerphilly Homes Task Group

Background Papers:  
HRA closing file 2013/14, Housing Finance, Cherry Tree House.



## CAERPHILLY HOMES TASK GROUP – 19TH FEBRUARY 2015

**SUBJECT: PAN GWENT DOMESTIC ABUSE PROJECT**

**REPORT BY: INTERIM CHIEF EXECUTIVE**

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### 1. PURPOSE OF REPORT

- 1.1 To provide members of the Caerphilly Homes Task Group (CHTG) with information about a proposed pan Gwent social landlord's domestic abuse project and the financial cost of the project.

### 2. SUMMARY

- 2.1 A group of social housing providers in Gwent have joined together to tackle the issue of domestic abuse. The group members are: Bron Afon Community Housing, Caerphilly County Borough Council, Charter Housing including Derwen, Melin Homes, Monmouthshire Housing, Newport City Homes and Tai Calon. Charter Housing is the lead organisation.
- 2.2 The pan Gwent group have agreed that in order to better tackle domestic abuse, a study needs to be undertaken to identify how social landlords can respond more effectively.
- 2.2 An 8 month project is proposed to undertake the necessary research and analysis and to develop a toolkit for use by social landlords. A project officer would be recruited to undertake the work as prescribed by the pan Gwent social landlord's domestic abuse group. Appendix 1 details the funding bid and the expected outputs and outcomes of the project.

### 3. LINKS TO STRATEGY

- 3.1 The overarching aims of Caerphilly County Borough Council (CCBC) in relation to anti-social behaviour and crime reduction are detailed in Caerphilly Delivers – The Single Integrated Plan 2013 - 2017. They are as follows:

Prosperous Caerphilly

P2 – Improve standards of housing and communities, giving appropriate access to services across the county borough.

Safer Caerphilly

S1 – Reduce incidents of anti-social behaviour and reduce fear of becoming a victim of anti-social behaviour for residents.

S2 – Reduce crime and the fear of crime for the residents of the county borough.

S4 – Ensure people are supported to live in their own homes and communities in safety.

- 3.2 The Council's Local Housing Strategy "People, Property, and Places" has the following aims:  
Aim 6 - To provide good quality, well managed houses in communities where people want to live, and offer people housing choices, which meet their needs and aspirations.  
Aim 11 – To promote sustainable and mixed communities that are located in safe and attractive environments.

- 3.3 The Anti-Social Behaviour Act 2003 and the Code of Guidance provided by Welsh Government to assist social landlords in their development of a policy and procedure, encouraged and emphasised a 3-strand strategy for dealing with nuisance and anti-social behaviour – prevention, support and enforcement. The CCBC Housing Division, Statement of Policy and Procedure for Anti-Social Behaviour produced and followed by the Tenancy Enforcement Section is consistent with the overarching corporate aims and reflects the 3 strand strategy, emphasises an incremental approach to investigating and dealing with ASB and reflects good practice in this field.
- 3.4 The Council's Strategic Equalities Plan has the following aim:  
Equality Objective 1 – Tackling Identity based hate crime: – To reduce the levels of real or perceived instances of identity based abuse, bullying, harassment and violence, hate crime and hate incidents in the county borough.

#### **4. THE REPORT**

- 4.1 As social landlords we have become more aware in recent years of the role we can play in combating domestic abuse and supporting our tenants who are affected by this issue.
- 4.2 Gwent is unique in that it is the only area within Wales where all social landlords participate in the daily Domestic Abuse Conference Call (DACC). This participation has made each social landlord aware of the levels of domestic abuse within their own areas and how much more could be done to assist tenants who are or could become victims of domestic abuse.
- 4.3 A funding bid was made to Welsh Government to part fund a project to identify how social landlords in Gwent could more effectively respond to the issue of domestic abuse and for the development of a toolkit to be used by social landlords for tackling and preventing domestic abuse. The toolkit would be used by social landlords within Gwent and hopefully be replicated across Wales by all social landlords. Appendix 1 details the funding bid and the expected outputs and outcomes of the project.
- 4.4 Unfortunately the funding bid was rejected by Welsh Government.
- 4.5 The pan Gwent social landlord's domestic abuse group is very keen for the project to go ahead. The 7 members of the project group have been asked to financially support the project. Each member is requested to provide a maximum of £3500. Charter Housing and Derwen come under the umbrella of SOLAS and will provide £4000 between them. This cost per landlord may reduce as it is proposed that a funding bid is also made to the Police and Crime Commissioners Office. This project would complement the PCC's commitment to supporting victims of crime.
- 4.6 It is proposed that CCBC utilise an under spend in the Strengthening the Anti-Social Behaviour Service budget for 2014-15 managed by the Tenancy Enforcement Manager. This budget was allocated to meet one of the promises made within the offer document to tenants issued as part of the Council's housing transfer proposal.
- 4.7 The pan Gwent group understands the need for social landlords to improve their working practices in relation to victims of domestic abuse and also to provide the same level and type of service across Gwent and ultimately Wales for victims of domestic abuse.
- 4.8 The project will also take into consideration the pending Gender-Based Violence, Domestic Abuse and Sexual Violence (Wales) Bill 2014 and the changes this is likely to implement across Wales.
- 4.9 From the viewpoint of a victim of domestic abuse a more effective and co-ordinated response from social landlord services across Gwent can only be a positive improvement.



## **5. EQUALITIES IMPLICATIONS**

- 5.1 In addition to the issues covered in section 4 of this report, it should also be noted that Domestic Abuse and Equalities issues are very closely linked, as all domestic abuse to varying degrees contains for example, aspects of gender, age, disability, race or sexual orientation, even where this is not the primary reason for that abuse. Where these issues are a primary part of the abuse however, additional support is available in Wales.
- 5.2 The organisation called Victim Support has been tasked nationally to be a point of contact where hate crime or incidents occur, and some domestic abuse does cross into that area. Monitoring of victims helps identify the greatest areas of concern and any patterns or trends.
- 5.3 Victim Support works with police forces, community cohesion officers and local authorities to co-ordinate support.

## **6. FINANCIAL IMPLICATIONS**

- 6.1 A one off cost of a maximum £3500 from the Strengthening the Anti-Social Behaviour Service budget for 2014-15.

## **7. PERSONNEL IMPLICATIONS**

- 7.1 There are no personnel implications arising from the report. The Project Officer will be supervised by Charter Housing.

## **8. CONSULTATIONS**

- 8.1 Consultation has taken place with Officers listed as Consultees.

## **9. RECOMMENDATIONS**

- 9.1 The report be noted.

## **10. REASON FOR RECOMMENDATIONS**

- 10.1 The purpose of the report is for information only.

## **11. STATUTORY POWER**

Housing Act 1996  
Anti-Social Behaviour Act 1996

Author: Rachel Thornett – Tenancy Enforcement Manger - Thornr1@caerphilly.gov.uk  
Consultees: Cllr. Gerald Jones, Deputy Leader & Cabinet Member for Housing  
Shaun Couzens, Chief Housing Officer  
Graham North, Public Sector Housing Manager  
Kathryn Peters, Community Safety Manager  
Julie Reynolds, Area Housing Manager  
Deb Bishop, Area Housing Manager  
Mandy Betts, Tenant and Community Involvement Manager  
Sue Cousins, Principle Housing Officer (Housing Portfolio)  
Lesley Allen, Principal Accountant

Karen James, Neighbourhood Housing Manager  
Angela Hiscox, Neighbourhood Housing Manager  
John Rogers, Principal Solicitor  
Zoe Powles, Solicitor  
Rebecca Haycock, Domestic Abuse Co-ordinator  
Mark Jennings, Housing Strategy Officer  
Dave Thomas, Senior Policy Officer (Equalities & Welsh Language)

**Background Papers:**

Caerphilly Delivers – Single Integrated Plan 2013 – 2017  
Local Housing Strategy – People, Property and Places  
Statement of Policy and Procedure for Anti-Social Behaviour  
Code of Guidance for Local Authorities – Anti-Social Behaviour Policies and Procedures  
Strategic Equalities Action Plan  
Welsh Government White paper – Consultation on legislation to end violence against women, domestic abuse and sexual violence (Wales)

Appendices:

Appendix 1: Bid to Welsh Government for Social Housing providers Domestic Abuse Project

**Bid to Welsh Government for Gwent Social Housing providers Domestic Abuse Project by participating housing providers: Bron Afon Community Housing, Charter Housing, Melin Homes, Monmouthshire Housing, Newport City Homes, Caerphilly CBC, Derwen, and Tai Calon**

**We are currently approaching the remaining RSL's who have some housing in the area to get involved.**

As a group of social housing providers working in the Gwent area we have come together to tackle the issue of domestic abuse. We have become more aware in recent years of the role we can play in combating Domestic Abuse and supporting our tenants and employees affected by this and who disclose to us.

We know from our own data and information from organisations such as Womens Aid that a disproportionate number of Women who report abuse live in social housing. W.A. tells us that about 90% of the people they support are in rented, largely social, housing. We are also aware that it is not just women who are victims of DA.

Within the partner social landlords well over 1,000 cases of DA were picked up in 2013/14 ranging from 150 to 700 per RSL. Most of these were picked up through the Gwent Police DACC protocol. Interestingly this far exceeds numbers reported by RSL's outside Gwent as far as we are aware. In a brief straw poll the highest number of cases among tenants of other RSL's in 2013/14 was 30.

This means we are in a good position in the Gwent area to do some detailed work on DA linked to the DACC and identify how social landlords can respond more effectively in tackling this issue.

Through the range of landlord services that we deliver alongside tenant involvement and community engagement activities, we have developed a close relationship with our tenants and their families. Surveys show the level of trust and satisfaction our tenants have not only with our services, but with the way staff interact, respond and keep people informed. This enables us to use this relationship to identify people at risk of DA and to persuade those who may be reluctant to act, even after disclosure that we can support them in engaging with specialist agencies, the police etc.

Whilst we all have a range of policies and practices for tackling DA this varies quite considerably. Some organisations have developed some quite innovative initiatives which could be shared. In a lot of social landlords though DA is still only picked up and dealt with through anti-social behaviour breaches, which risks the victim of DA being further vilified as a perpetrator of nuisance.

We have learned a great deal from the work done by the Gwent Pathways project and in discussion with that project have identified that together we can be more proactive and more consistent in our approach. We want to share some of this innovation, as well as good practice in procedures, so that all social housing tenants in Gwent suffering Domestic Abuse get a more effective service.

There is also a huge amount of learning that we can draw on from specialist organisations such as Women's Aid, L A's other social landlords in Wales and across the UK such as Peabody.

We would like to develop a Toolkit for tackling and preventing Domestic Abuse in Gwent that we can use and would hope would be replicable across the housing sector in Wales. To achieve this we would need to:

- Align our policies and procedures in responding to tenant victims of Domestic Abuse and to ensure that it is picked up in all relevant housing management and maintenance policies.
- Learn how our response to tenants disclosing DA can inform how we support victims of DA in our workforce

- Liaise with the Gwent local authorities to remove any current inconsistencies and achieve common criteria for all common housing registers and housing waiting lists to allow for speedy moves for victims of Domestic Abuse who cannot remain in their current location.
- Examine action regarding target hardening and preventative measures and work with Gwent Police, the MARAC and Care and Repair Agencies in Gwent to align what is currently a range of responses. This would include the potential to share and effectively monitor the use and return of safety and security equipment e.g. CCTV, alarms and other monitoring facilities. Including identifying consistent procedures and policies for sharing evidence to support criminal or civil cases, as necessary.
- Enhance our relationships with expert agencies such as Womens Aid, Llamau, the Survivors Trust, BAWSO, HAFAN Cymru, Barnardo's, and New Pathways, the Police, Health professionals and child protection agencies to ensure quick responses when tenants disclose to us. Identify issues for more effective joint work through MARAC and DACC which currently involves many different staff and is not an effective use of knowledge and resources.
- Establish Domestic Abuse awareness training that is tailored specifically to housing staff to enable them to be able to identify warning signs, respond effectively and know when and how to bring in experts.
- *Establish what housing providers can do support work on child sexual exploitation where they are working with young people.*
- Share data to enable us to better prevent and support victims and respond to perpetrators.
- Research best practice and identify what could be replicated in the region including shared projects to prevent DA especially among young people e.g. awareness and education on how to identify and avoid potentially abusive relationships, projects and activities for education and awareness among young men to break the cycle where they have grown up in households where abuse was prevalent.
- Achieve White Ribbon status for engaging men in speaking out against Domestic Abuse

We are therefore requesting funding to appoint someone to undertake this work, develop the Toolkit, train key staff to implement the Toolkit and establish a framework to monitor the impact of the initiative e.g. we will monitor the baseline and ongoing disclosure rates (and to whom).

See Outputs and Outcomes below. We anticipate that this would be an 8 month project from recruitment to implementation of the Toolkit within social landlords.

### Projects Costs

Project officer salary for 8 months plus on costs ( NI and overheads), travel/mileage,	£17,770 NI Central charge Travel Total = 7,900
Associated project costs e.g. publication of findings/evaluation	£1,000
Total project cost	£26,670
Contribution from partners	16,000
Funding requested	10,670

Outputs:

- Toolkit/Model that can be replicated across Wales and contribute to WG strategy to combat DA
- Social landlords Operational practice and policies aligned
- DA awareness training tailored to housing staff
- Joint training for managers to ensure consistent implementation
- Process for data sharing to measure impact of toolkit/shared approach
- Cost benefit analysis across the social landlords to demonstrate to others the business case for this work.
- Review the potential for a housing based IDVA
- The cost of repairs and ASB etc. associated with domestic abuse decreases
- Social landlords in Gwent achieve White Ribbon status
- More accurate data available on the incidence of DA amongst social housing tenants

Outcomes:

- Visibly more effective and coordinated response to disclosure by social landlords, LA's, Police and Specialist providers in Gwent
- Improved information sharing supporting appropriate, effective service delivery and support to tenants experiencing domestic abuse
- Social landlords tenants living in Gwent are more likely to disclose knowing they will get a positive response from their landlord
- Social landlords staff in Gwent are more aware of the issues of DA and know how to help
- Social landlords tenants who need to move are able to do so quickly and safely
- Social landlords tenants experiencing domestic abuse feel safer

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**CAERPHILLY HOMES TASK GROUP – 19TH FEBRUARY 2015**

**SUBJECT: CYD CYMRU COLLECTIVE ENERGY SWITCHING SCHEME**

**REPORT BY: INTERIM CHIEF EXECUTIVE**

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- 1.1 The report was considered and approved by Cabinet on the 21st January 2015 and is provided for the information of Caerphilly Homes Task Group.

Author: Steve Martin Principal Contracts Officer (Energy)  
(E-mail: martins@caerphilly.gov.uk)

Appendices:  
Appendix I Cyd Cymru Charter

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**Cyd Cymru / Wales Together**

# **Charter**

*A Collective Energy switching Scheme for Wales*



# Cyd Cymru Charter

The purpose of the Charter is to set out the simple steps required for making Cyd Cymru a successful collaboration across Wales and how your organisation can get involved in the scheme. Cyd Cymru is a collective energy switching scheme being jointly led by the City of Cardiff and the Vale of Glamorgan councils. Collective energy switching allows participants to come together to receive a better deal on their energy bills. By switching energy together last year Cyd Cymru helped households across Wales to save on average £185 per year on their energy bills.

Cyd Cymru offers all the people of Wales the opportunity to get involved, including those of pre-payment meters. By signing this Charter you will be given every support to promote collective energy switching in your area, in return for a few basic pledges.

## **By signing this charter you pledge to:**

- Promote collective energy switching through Cyd Cymru in your area
- Take action to help alleviate fuel poverty which currently affects 30% of Welsh households. Traditionally low income households do not regularly switch energy supplier and this is a perfect opportunity to help fuel poor households struggling with high energy bills
- Help households to improve their energy use and increase their knowledge of how to save energy in the home
- Promote the scheme via local press and media, partner networks and engagement events to local residents to encourage registration.
- Share your local marketing plans (or list of any planned activity) with the Cyd Cymru Project team
- Share the proceeds of the Community Fund allocated to your local authority area locally as agreed with the Cyd Cymru Project Board
- Provide a quote in support of the scheme along with your logo

## **In return - what support will you get after joining Cyd Cymru?**

We will provide your organisation with

- Material and support to promote the scheme (listed below)
- Access to a community fund

## You

Your organisation agrees to promote Cyd Cymru in your area and share with us some basic details about what you intend to do...

## Us

We will provide your organisation with material and support to promote the scheme. You will also have access to the community fund

## Together

By working together we can assist more people to get involved, secure a potentially better deal on their bills and generate an even bigger community fund

### Who can get involved with Cyd Cymru?

Participating organisations such as Local Authorities, Housing Associations and local customer support groups can all support the promotion of Cyd Cymru. Participating organisations will be expected to ensure that the project is promoted successfully to local residents. In particular, we would expect to see the effective use of local press and media, partner networks and engagement events to encourage registration. Each participating organisation will be expected to share a local marketing plan (or list of planned activity) that will be shared with the Cyd Cymru Project team, simply for visibility and to manage demand for registration.

Take a look at what's happening with our existing partners visit the live website; [www.cydcymru-energy.com](http://www.cydcymru-energy.com)

### How can my organisation join Cyd Cymru?

Your organisation can get involved now and participate in the current auction. All you will need to do to join Cyd Cymru as a partner is to:

- Confirm that you want to take part
- Provide us with your organisation's logo and a quote to endorse the scheme from a representative of your organisation
- Provide us with your local marketing plan or a brief summary of how you intend to promote the scheme in your area

Send these to us via email at [cydcymru\\_collective\\_energy@cardiff.gov.uk](mailto:cydcymru_collective_energy@cardiff.gov.uk)

## **What support will we get after joining Cyd Cymru?**

We will provide all Cyd Cymru partners with access to designs and materials to help promote the scheme. The following designs are available online to download:

- English language leaflet
- Welsh language leaflet
- A3 poster
- English language pull-up banner
- Welsh language pull-up banner
- Animated email signature banner
- Press Releases

These can be tailored to suit your local need, including adding your own logo, although we ask that you retain the Cyd Cymru brand and core messages. Once you join Cyd Cymru a link will be emailed to you that allows you to access these resources. The designs are supplied as high resolution PDFs which can be imported into design programs, including Illustrator, In Design and Quark that will allow you to insert your logo and have commercially printed.

The registration tool for Cyd Cymru is publically available. Each participating organisation will be featured on the website to demonstrate their endorsement of the scheme.

We can't do it alone. We need your support. We need partner organisations to help us raise awareness and promote the scheme to make collective energy switching an opportunity for everyone.

### **Key Dates**

**The Registration period for the third Switch opens from:**

2<sup>nd</sup> January 2015

**The period for accepting the offer ("Switching") will be open from:**

2<sup>nd</sup> March – 16<sup>th</sup> March 2015

**It is anticipated that the fourth switch will be later during 2015/16.**



We, .....NAME OF ORGANISATION....., agree to be part of the Cyd Cymru collective switching scheme.

As supporters of Cyd Cymru we are part of an energy collective which offers participants the opportunity to receive a better deal on their energy bill.

The more people that register, the better the deal is likely to be. We therefore commit to promoting Cyd Cymru in our area, making use of our marketing channels and partnership networks as resources allow.

For every person who switches energy suppliers through Cyd Cymru a commission will be paid by the energy supplier to a Community Fund. We agree that this fund will be shared with each local authority on a pro rata basis and spent locally as agreed by the Cyd Cymru Project Board.

Signed: .....ORGANISATION REPRESENTATIVE.....

Your Logo	
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*Working together for cheaper energy, more sustainable futures and to tackle fuel poverty.*

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## CABINET – 21ST JANUARY 2015

**SUBJECT: CYD CYMRU COLLECTIVE ENERGY SWITCHING SCHEME**

**REPORT BY: INTERIM CHIEF EXECUTIVE**

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### 1. PURPOSE OF REPORT

- 1.1 To seek Cabinet endorsement to sign up to the Cyd Cymru Charter “A collective energy scheme for domestic homes in Wales.

### 2. SUMMARY

- 2.1 The report outlines the Cyd Cymru scheme and the benefits of signing up to the Charter.
- 2.2 The potential benefits to households are reflected within the report and how the Cyd Cymru scheme can be communicated to residents within Caerphilly.

### 3. LINKS TO STRATEGY

- 3.1 Signing up to the Cyd Cymru Charter would link to the following strategies:-

“Living better, using less” Sustainable Development Strategy

“Caerphilly Delivers” Single Integrated Plan 2013-17

### 4. THE REPORT

- 4.1 Fuel poverty is high on the Council's agenda. Domestic energy prices have been dramatically rising over recent years. The Energy Saving Trust informs that energy prices have risen by 28% between 2008 and 2013.
- 4.2 Cyd Cymru – is a collective energy switching scheme developed to offer people in Wales an opportunity to save money by coming together to buy fuel “in bulk”. However, there are other switching groups which can be accessed independently by residents.
- 4.3 The scheme has been developed by Cardiff Council and the Vale of Glamorgan Council, with support from the Welsh Government's “Regional Collaboration Fund”. Cyd Cymru was developed in the Autumn of 2013.
- 4.4 To date two switches have taken place between January and March 2014. 6,800 households across Wales registered. Over 1,500 households switched saving an average of £185 per household. It is noted that the bulk of residents resided within the Cardiff and Vale of Glamorgan Council boundaries.

#### 4.5 How is Cyd Cymru delivered?

Cyd Cymru collective energy switching scheme is being delivered in partnership with the Energy Saving Trust Wales. The Energy Saving Trust is a social enterprise with a charitable foundation. The Energy Saving Trust supports the delivery of Cyd Cymru with specialist knowledge and expertise. They have developed a detailed implementation plan which includes the procurement of the switching provider, delivery of a local engagement plan and project evaluation methodology. In September 2013, a tender for a switching agent was ran on Sell2Wales and the winning bidder was the 'energyhelpline'. This contract is currently in place until March 2015.

#### 4.6 The Charter

The purpose of the Charter (see appendix 1) is to set out the simple steps required for making Cyd Cymru a successful collaboration across Wales, and how organisations can get involved in the scheme. By signing the Charter the council will receive support to promote collective energy switching in return for a few pledges:-

- Promote collective energy efficiency switching through Cyd Cymru.
- Take action to help alleviate fuel poverty which currently affects 30% of Welsh households
- Help households to improve their energy use and increase their knowledge of how to save energy in the home
- Promote the scheme via local press and media, partner networks and engagement events to local residents to encourage registration
- Share local marketing plans (or list of planned activity) with the Cyd Cymru project team
- Share the proposals of the community fund allocated to the council with locally agreed charities

#### 4.7 In support to signing the Charter the council will receive:-

- Material and support to promote the scheme
- Access to a community fund

#### 4.8 Community fund

Currently for each household that switches supplier a fee is paid by the energy provider into a community fund. This fund is redistributed to local authorities across Wales based on the number of fuel switches in each area; this fund should be donated to local charities. A further report will be presented to Cabinet following the end of the financial year to determine how and which local charities these funds are to be donated to.

#### 4.9 The next collective switch by Cyd Cymru is planned for January 2015. Registration will open on 2nd January 2015 with offers and switching planned between 2nd – 16th March 2015. If the contract is extended, this will allow further opportunities in the future to register for switching.

### 5. EQUALITIES IMPLICATIONS

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



## **6. FINANCIAL IMPLICATIONS**

6.1 There are no financial implications associated with this report.

## **7. PERSONNEL IMPLICATIONS**

7.1 There are no personnel implications associated with this report.

## **8. CONSULTATIONS**

8.1 There are no consultation responses that have not been reflected in this report.

## **9. RECOMMENDATIONS**

9.1 That Cabinet endorse this report and agree to sign up to the Cyd Cymru Charter.

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

10.1 To reduce energy bills for residents within Caerphilly County Borough and help take households out of fuel poverty.

## **11. STATUTORY POWER**

11.1 There are no Statutory Powers associated with this report.

Author: Steve Martin - Principal Contracts Officer (Energy)  
(E-mail: martins@caerphilly.gov.uk)

Consultees:

Cllr Keith Reynolds	Leader of Council
Cllr Gerald Jones	Deputy Leader and Cabinet Member for Housing
Chris Burns	Interim Chief Executive
Nicole Scammell	Acting Director of Corporate Services & Section 151 Officer
Shaun Couzens	Chief Housing Officer
Phil Davy	Head of Programmes (WHQS)
Kenyon Williams	Private Sector Housing Manager
Liz Lucas	Head of Procurement
Steve Pugh	Corporate Communications Manager
Paul Cooke	Team Leader, Sustainable Development.
Paul Rossiter	Energy & Water Leader
Gail Williams	Interim Head of Legal Services & Monitoring Officer
John Rogers	Principal Solicitor

Appendices:  
Appendix I Cyd Cymru Charter

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