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(Tel: 01443 864210 Email: evansca1@caerphilly.gov.uk)

Date: 10th February 2016

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, 18th February, 2016** 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) held on 10th December 2015.	1 - 6
4 Caerphilly Homes Task Group (WHQS) Minutes 27th January 2016 (Special)	

A greener place Man gwyrddach



To receive and consider the following reports and make recommendations to the Policy and Resources Scrutiny Committee and Cabinet: -

5 Review of Community Improvement and Community Safety Funds. 11 - 14

To receive and note the following information items*: -

6 Housing Revenue Account Budget Monitoring Report 2015/16 (Period 7). 15 - 24

7 WHQS Monitoring Report April 2015 - September 2015 (Half Year). 25 - 36

**If a member of the Caerphilly Homes Task Group wishes for the above information report to be brought forward for discussion at the meeting, please contact Charlotte Evans on 01443 864210, by 10 a.m. on Wednesday 17th February 2016.*

8 To receive any requests for an item to be included in the next available agenda.

Circulation:

Task Group Members: L. Ackerman, Mrs G. Atkins, Mr C. Davies (Chair), Miss E. Forehead (Vice Chair), Ms J. Gale, K. James, Mrs B. A. Jones, Ms S. Jones, Miss A. Lewis, C.P. Mann, Mr M. McDermott, Mrs D. Moore, Mr J. Moore and D.V. Poole,

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, 10TH DECEMBER 2015 AT 5.00 P.M.

PRESENT:

C. Davies - Chair
E. Forehead - Vice Chair

Task Group Members:

Ms L. Ackerman, K. James, S. Jones, J. Moore and D.V. Poole

P. Davy (Head of Programmes), S. Couzens (Chief Housing Officer), J. Roberts-Waite (Strategic Co-ordination Manager), C. Evans (Committee Services Officer)

1. APOLOGIES

Apologies for absence were received from Mrs G. Atkins, Miss A. Lewis, C. Mann and M. McDermott.

2. DECLARATIONS OF INTEREST

Mr C. Davies, S. Jones and J. Moore as Council Tenants declared a personal but not prejudicial interest in all agenda items.

3. MINUTES – 29TH OCTOBER 2015

RESOLVED that, subject to it being noted that Miss A. Lewis, Mrs G. Green and Mr C. Jones were present at the meeting, the minutes of the meeting held on the 29th October 2015 be approved as a correct record and signed by the Chair.

4. ROWAN PLACE – PROGRESS REPORT AND SENSITIVE LETTING POLICY

The report provided an update on the progress made in relation to delivering a targeted regeneration programme in Rowan Place, Rhymney; and sought the views of the Task Group on the adoption of a sensitive lettings policy and introductory tenancies, (specifically in relation to the Rowan Place flats) prior to its consideration at Policy and Resources Scrutiny Committee and thereafter, Cabinet.

Rowan Place, which comprises of 82 properties and is located within the Twyn Carno ward, is part of the Lower Super Output Area (LSOA) known as Twyn Carno 1.

For many years the area of Rowan Place in which the flats are located has been regarded locally as a 'no go zone' and largely been home to transient single people and families with particular challenges including drug and alcohol issues, criminal records and anti social behaviour issues.

Following the identification of severe damp and external defects to the fabric of the properties in Rowan Place, the Council approved a budget totalling £4.2m to undertake a comprehensive refurbishment of the 72 council owned properties. The programme underway in Rowan Place has been enhanced by a further £720,000 from the Welsh Government as part of its Vibrant and Viable Places programme which will facilitate enhancements to the environment within Rowan Place.

The Task Group noted that, in previous years, Rowan Place has been plagued by high levels of anti social behaviour, crime and drug and alcohol abuse. As a consequence and for the benefit of existing tenants, the Council proposes to introduce introductory tenancies for new allocations within Rowan Place. Introductory tenancies would give all new tenants a 12 month trial period before they would be eligible to be awarded a secure tenancy and the tenancy could be brought to an end, during the introductory period, if the tenant fails to adhere to the requirements. This will ensure that anyone behaving inappropriately can be removed from the tenancy quickly.

In addition, the Task Group were asked to note that the existing tenants will not be affected.

The sensitive lettings policy covers all 2 bedroom flats in Rowan Place, Rhymney. Caerphilly Homes Allocations Scheme allows for the allocation of families with 1 or 2 children and childless couples. Due to the size of the second bedroom only families with 1 child, or families with access will be considered and to reduce excessive child density in the area, childless couples may take precedence over families with one child.

A strict set of criteria has been devised and any applicant that meets one of the criteria would not be offered a tenancy of one of the 2 bedroom flats in Rowan Place, for a period of at least 2 years. The criteria includes an applicant having any involvement in anti-social behaviour in the last 2 years and an ability to sustain a tenancy for a minimum period of 12 months or has an unspent or criminal convictions, including convictions for drug dealing, criminal damage or arson.

In addition, prospective tenants will be required to satisfy an income/expenditure assessment of their affordability of the tenancy and where two or more applicants have equal priority, preference would be giving to applicants who are in employment or training.

The Task Group thanked the Officers for the report and, in noting the criteria, sought further information on eligibility of those applicants with Mental Health Issues. Officers confirmed that, provided there was sufficient support in place and the risks were assessed; consideration would be given to those applicants.

A Task Group Member queried the current issue with voids within the area and whether the implementation of the Sensitive Lettings Policy would compound the issue. Officers highlighted that that the policy is to be implemented in an attempt to improve the area and peoples perspective. It is unclear, until the Policy is in place, whether the number of voids would increase, however a review would be conducted 12 months following completion to determine its effectiveness.

Following consideration and discussion, it was moved and seconded that the recommendations in the report be approved. By a show of hands this was unanimously agreed.

RESOLVED that for the reasons contained in the Officers report the Caerphilly Homes Task Group recommend to the Policy and Resources Scrutiny Committee and Cabinet, the adoption of the sensitive lettings policy, including introductory tenancies for new tenants in Rowan Place, as set out in the Appendix to the report.

5. RE-PROFILING OF WHQS PROGRAMME AND HRA CAPITAL PROGRAMME 2016/17

The report highlighted the changes to the WHQS Programme and set out the HRA Capital Programme budget for 2016/17. In addition, the report sought the views of the CHTG prior to its presentation to Policy and Resources Scrutiny Committee and Cabinet.

It was noted that major slippage during the 2014/15 financial year necessitated a review of the investment strategy. A revised strategy was approved by Cabinet in February 2015, together with the Capital Programme for the 2015/16 financial year. The new programme was front loaded in an attempt to catch up on the slippage. However, this has led to resourcing issues, particularly in the Eastern-Valleys and has caused problems for the WHQS team due to the number of properties being worked on across the County Borough.

The number of properties in the internal works programme reduces in the later years of the programme and a further re-profiling was advocated to have a more consistent number of properties each year. This has some benefit to those community areas that will be pulled forward, however others will slip back. Some of the changes are also to avoid gaps arising on the larger estates and enable continuity of phasing of works.

The Task Group noted that it would not be possible to catch up on the external works programme within 2015/16. Most of the current financial year planned programme is expected to run into 2016/17. There are a number of sequence changes to the external works to take account of the change in approach in the Lower Rhymney Valley and to minimise, as far as is practical, conflicts between the internal and external works. Where overlaps arise, these will need to be managed on the ground.

The HRA Capital Programme budget allocates the necessary resources based on the Savills cost plan to deliver the programme during 2016/17. It was noted that, as per experience, significant variances may arise once the properties have been surveyed and works specification prepared. A large contingency has therefore been included within the budget proposal.

Following consideration and discussion, it was moved and seconded that the recommendations in the report be approved. By a show of hands this was unanimously agreed:-

RESOLVED that for the reasons contained in the Officers report:

- (i) The Caerphilly Homes Task Group recommend to the Policy and Resources Scrutiny Committee and Cabinet the adoption of the reprofiling of the WHQS Programme and the Capital Programme for 2016/17 that flows from the reprofiling.
- (ii) A further report be presented when sufficient information is available to update the Savills cost plan based on an analysis of actual costs being incurred for internal and external works.

6. SMALL LOTS - REVIEW OF CONTRACT ARRANGEMENTS

The report proposed changes to the contract arrangements for external works in the Eastern Valleys and sought the views of the Task Group prior to consideration by Policy and Resources Scrutiny Committee.

It was noted that the external works within the Eastern Valleys are being undertaken through a series of small lots contracts. Experience over the last 2 years has given rise to concerns that if continued reliance is placed on this method alone, there are significant risks that this part of the WHQS programme will not be delivered by 2020. A review of the contract arrangements has concluded that the external works on 2 large estates (Cefn Fforest and Ty Sign) should be undertaken by alternative means and there is an opportunity to link this with the procurement of new contract arrangements for external works in the Lower Rhymney Valley.

The Task Group thanked the Officer for the report and sought reassurance that sufficient contingency plans would be implemented to ensure consistency and the continuation of the programme, in the event that contractors withdraw from the tender process.

A Task Group Member sought further information on the satisfaction rates and feedback from tenants in respect of the small lots contracts. It was noted that there is currently no data available on the external works satisfaction as only one contract has been completed. Feedback from tenants has not raised any major concerns with the standard of work completed, but issues have been raised with the time taken to complete the works, which was impacted greatly due to weather conditions.

Following consideration and discussion, it was moved and seconded that the recommendations in the report be approved. By a show of hands this was agreed by the majority present:-

RESOLVED that for the reasons contained in the Officers report:

- (i) the Caerphilly Homes Task Group recommend to the Policy and Resources Scrutiny Committee and Cabinet, a reduction in the amount of work to be procured via small lots over the remaining period of the programme in view of the risks of not completing this by 2020.
- (ii) the external works on the Ty Sign and Cefn Fforest estates be incorporated within the procurement of new contract arrangements for external works in the Lower Rhymney Valley.
- (iii) the adoption of 2 value bands be supported for small lots contract packages over the remainder of the programme period, subject to review in light of tender returns.
- (iv) the Project Board continue to endorse the award of any small lot contract with a final tendered sum that exceeds the upper limit of either value band range where appropriate.

7. WHQS COMPLIANCE POLICY

The report sought the views of the Caerphilly Homes Task Group on the draft WHQS Compliance Policy, which is a Welsh Government requirement, prior to its consideration at Policy and Resources Scrutiny Committee and Cabinet.

The Task Group noted that Social housing landlords are required to put in place a Compliance Policy by 1st April 2016, which would be subject to annual review. The Compliance Policy is intended to provide the Welsh Government, tenants and the Council with assurance that WHQS will be achieved and maintained and must set out the arrangements for independent verification.

The Task Group thanked the Officer for the report and discussion ensued.

A Task Group Member, in noting that there was only a brief mention of the Environmental Programme within the Policy, sought further information on this. Officers clarified that the Environmental Programme was an integral part of the programme and has to be delivered to achieve WHQS. It was agreed that officers would add some additional narrative on the Environmental Programme prior to the report being considered by Policy and Resources Scrutiny Committee and Cabinet.

The Task Group considered all aspects of the Policy and discussion ensued around Party Walls. It was noted that a number of properties throughout the borough had undergone works to provide a fire retardant curtain, however there may still be properties where party walls are absent within the attic spaces. The Policy proposed that these would be identified as "acceptable fails" and would be addressed when it was necessary to re-roof the properties.

The Task Group were asked to note that, whilst progress is being made on the surveys, additional resources are required, in order to increase the number of surveys completed in advance of works commencing.

The Keystone system was discussed and a Task Group Member queried the errors within the system. Officers highlighted that there are errors within the system, both human and within the construction of dashboards, however there are a number of internal audit checks which have been built into the system in order to minimise the impact of errors on the data. IN addition, it was noted that the programme relies on Keystone and Capita (Housing Management Information System) sharing information and comparative data, this would always be subject to data entry within both systems being both timely and accurate.

Following consideration and discussion, it was moved and seconded that the recommendation in the report be approved. By a show of hands this was unanimously agreed:-

RESOLVED that for the reasons contained in the report, The Caerphilly Homes Task Group recommend the adoption of the WHQS Compliance Policy to the Policy and Resources Scrutiny Committee and Cabinet.

8. INFORMATION ITEMS

The Committee received and noted the following information item:-

- (1) Procurement Update Report.

9. TO RECEIVE ANY REQUESTS FOR AN ITEM TO BE INCLUDED ON THE NEXT AVAILABLE AGENDA.

A Task Group Member sought further information on recruitment within the WHQS Programme, with particular reference to staff turnover. Officers highlighted that this is an ongoing situation which is constantly changing. The lack of stability within the WHQS team is highlighted as a risk area which is kept under review by the WHQS Project Board.

The Vice Chair highlighted that the report provided at the last meeting, whilst it provided the relevant fire safety information for three storey flats, the original request was in relation to 3 storey Council houses. It was agreed that further discussion and clarification would be sought outside of the meeting.

The Chair and Vice Chair wished everyone a very merry Christmas and a Happy New Year, and the meeting closed at 6.20 p.m.

Approved as a correct record subject to any amendments or corrections agreed and recorded in the minutes of the meeting held on 18th February 2016.

CHAIR



CAERPHILLY HOMES TASK GROUP (WELSH HOUSING QUALITY STANDARD)

**MINUTES OF THE SPECIAL MEETING HELD AT PENALLTA HOUSE, YSTRAD
MYNACH (SIRHOWY ROOM) ON WEDNESDAY, 27TH JANUARY 2016 AT 5.00 P.M.**

PRESENT:

C. Davies - Chair

Task Group Members:

Ms L. Ackerman, Ms J. Gale, S. Jones, Mrs B. Jones, C. Mann, M. McDermott, Mrs D. Moore, J. Moore and D.V. Poole

P. Davy (Head of Programmes), S. Couzens (Chief Housing Officer) and C. Evans (Committee Services Officer)

1. APOLOGIES

Apologies for absence were received from E. Forehead, K. James and Miss A. Lewis.

2. DECLARATIONS OF INTEREST

S. Jones, Mrs B. Jones, M. McDermott, Mrs D. Moore and J. Moore, as Council Tenants declared a personal but not prejudicial interest in all agenda items.

3. ANNOUNCEMENT OF THE CHAIR

The Task Group were asked to note that Gemma Atkins, Tenant Representative has resigned as a Member of the Caerphilly Homes Task Group due to outside commitments, the Task Group wished to express their gratitude for her contributions to the Group and wished her all the best for the future. It was agreed that a letter expressing the Task Group's gratitude would be passed on.

4. SHELTERED HOUSING SCHEMES – MANAGED SERVICE PROVIDER

The report advised the Caerphilly Homes Task Group (CHTG) of developments relating to the Invitation to Tender (ITT) for the Managed Service Provider for the Sheltered Housing Schemes. The report and special meeting have arisen as a result of concerns raised by tenant representatives and a perception that the Council is privatising the sheltered housing schemes.

A report was considered by CHTG in April 2015, and subsequently approved by Cabinet, which highlighted the additional measures necessary to cope with the volume of work, and specifically that the management and delivery of the WHQS works on the sheltered housing schemes, should be undertaken by a suitable consultancy, on behalf of the Council.

Since that time, the development of the ITT has taken on board various changing circumstances that have arisen, including decisions relating to the six sheltered housing schemes identified for possible remodelling, and considerations relating to statutory and reactive maintenance of the sheltered schemes. This has resulted in the ITT being structured into 2 separate lots, which provides the opportunity to explore whether further benefit can be derived in the way the property management function of the sheltered housing schemes are organised.

The Caerphilly Homes Task Group thanked the Officer for the report and discussion ensued.

The Task Group expressed their disappointment at the report, the lack of consultation with tenants prior to its consideration and concerns that the Council was departing from commitments made at the time of the ballot. The Cabinet Member for Housing reassured the Task Group that, whilst he can understand the concerns of the tenants, there would not be any support for the proposal from himself, had it been for privatisation of the service and highlighted that the report sought to provide additional support and capacity to the WHQS Team, in order to meet the demands of the Programme.

The Task Group discussed the consultation process and it was noted that there had not been any direct consultation with the tenants within the sheltered housing schemes relating to the report. The Task Group were assured that, following the tender process, tenants would be informed of the management arrangements and provided with a new timetable of works, relevant to their Sheltered Scheme.

A Task Group Member raised concerns around the additional costs associated with the employment of a Managed Service Provider, how the additional costs would be funded, and the quality of work they would deliver on the Programme. Officers advised that the cost of the Managed Service Provider would be met by the HRA. In addition, it was noted that the Managed Service Provider was to provide extra capacity for the WHQS Team, which would assist in the delivery of the whole Programme. A further procurement process would be required for the works and the Task Group were assured that WHQS Team would still remain the lead on the Programme.

The Task Group queried the staff recruitment process and it was noted that the WHQS Team had experienced a number of difficulties with recruitment, including trade operatives, Surveyors and Clerk of Works. This is affected by external factors and there had been an upturn in activity in the construction sector.

Discussions ensued around surveys conducted by Savill's and concerns were expressed over the inaccuracies and issues that have arisen during the Programme. Officers highlighted that Savill's Surveys were a sample of 15% of the stock and were to provide a baseline for the development of a business plan. In relation to WHQS the sample survey was focused on component renewal.

Finally, the Task Group sought assurance that, following the tender process, if there are limited or no contractors or unsatisfactory tenders, there are alternative mechanisms to maintain the Programme within deadline. Officers highlighted that contingency plans are being considered and assured the Task Group that further information would be provided as necessary.

The meeting closed at 6.21pm.

Approved as a correct record subject to any amendments or corrections agreed and recorded in the minutes of the meeting held on 18th February 2016.

CHAIR

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CAERPHILLY HOMES TASK GROUP – 18TH FEBRUARY 2016

SUBJECT: REVIEW OF COMMUNITY IMPROVEMENT AND COMMUNITY SAFETY FUNDS

REPORT BY: CORPORATE DIRECTOR COMMUNITIES

1. PURPOSE OF REPORT

- 1.1 To outline a proposal to absorb the WHQS Community Improvement Fund and Community Safety Fund into the Environmental Programme budget. The report is seeking the views of CHTG prior to its presentation to Policy & Resources Scrutiny Committee and Cabinet.

2. SUMMARY

- 2.1 Following the ballot in February 2012, the Council agreed that it would deliver the promises made in its Offer Document to tenants and deliver WHQS by 2019/2020. It also gave a commitment to delivering numerous additional benefits which were also outlined in the Offer Document, which would add value to the WHQS programme and help deliver the Council's ambition of using the £200 million WHQS investment as a catalyst to Transform Homes, Lives and Communities.
- 2.2 These additional benefits included the creation of a Community Improvement Fund and Community Safety Fund. The Council also created a Local Employment Fund.
- 2.3 The Local Employment Fund has been relatively successful and will be subject shortly to a separate report.
- 2.4 £50,000 is allocated to each fund annually.
- 2.5 The Community Improvement Fund and Community Safety Fund have not met the original expectations and it is advocated these are now incorporated as part of the Environmental Programme budget.

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 specified standards.
- 3.2 The Council is committed to ensuring that the WHQS investment transforms not only homes but also lives and communities.
- 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 delivery of the WHQS environmental programme is coterminous with the aims of the Council's Single Integrated Plan 2013-2017 which aims to 'improve standards of housing and communities, giving appropriate access to services across the county borough' and the recently approved, Caerphilly Poverty Strategy 2015.

4. THE REPORT

4.1 The Community Improvement Fund was designed specifically to foster community development and cohesion by enabling community groups to bid for funding to support local initiatives and projects that would help improve the immediate environment.

4.2 The Community Safety Fund was created to support community safety initiatives and interventions that would directly and indirectly benefit Council tenants including creating safer communities, tackling anti social behaviour, reducing crime and the fear of crime, supporting victims of anti social behaviour and domestic violence.

4.3 Potential applicants to the Community Improvement Fund apply for funding via a two stage process that complies with the Council's standing orders and requires evidence of community support, synergy with Communities First outcomes and an indication of the benefits that will be delivered. Applications to the Community Safety Fund have been via internal departments. Proposals under both funds are subject to consultation with the CHTG and decisions are then made by the Head of Service under delegated powers.

4.4 Since 2013/14 a total of only £18,604 has been approved from the Community Improvement Fund to support the following organisations (although not all monies have been claimed):

- Rhymney Allotments Society
- Oaklands Hall Allotments Association
- Pen Y Dre Tenants and Residents Association
- Tarragon Educational Gardens

4.5 Further applications have been approved for Britannia Community House, Graig Y Rhacca Resource Centre and Neuadd St Catwg and not claimed.

4.6 Since 2013/14, a total of £43,350 has been approved from the Community Safety Fund out of a potential £150,000.

4.7 Each year there is a significant underspend in the funds allocated to the Community Improvement Fund and Community Safety Fund.

4.8 Meetings have been held with relevant individuals and partnerships to promote the availability of funds and marketing literature produced and circulated. The funds have also been promoted via social media and support made available to those organisations seeking assistance to complete the required paperwork.

4.9 Despite these efforts, the number and diversity of organisations requesting funding has been minimal. The Community Improvement Fund has, in the main, been accessed predominantly by Allotment Associations located throughout the borough to increase access to facilities for members and interested parties within local communities.

4.10 The Community Safety Fund has supported the purchase and installation of CCTV cameras in areas of the borough exhibiting high levels of anti social behaviour and to support the work of the Community Safety Partnership in relation to target hardening measures to help protect victims of domestic violence and anti social behaviour.

4.11 Whilst many of the projects supported have been worthy the Community Improvement Fund and Community Safety Fund have not delivered the original expectations. They were both designed to increase community cohesion and address local priorities.

4.12 It is therefore proposed that both the Community Improvement Fund and the Community Safety Fund are absorbed into the Environmental Programme budget. It should be noted that they were top sliced from this budget originally.

4.13 The WHQS Environmental Programme is currently under development. If any projects emerge that would previously have been candidates for the two funds they will, if appropriate, be incorporated within proposals for specific estates and be subject to the consultation arrangements that will inform the decision making as to which project proposals can be supported.

5. EQUALITIES IMPLICATIONS

5.1 There are no equalities implications arising directly as a result of this report however, it maybe necessary to complete an Equalities Impact Assessment depending on the nature of individual project proposals.

6. FINANCIAL IMPLICATIONS

6.1 If the recommendation is agreed there will be no further separate allocation from the Community Improvement Fund or Community Safety Fund from the 2016/17 financial year onwards.

7. PERSONNEL IMPLICATIONS

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

8. CONSULTATIONS

8.1 Comments received have been incorporated in the report.

9. RECOMMENDATIONS

9.1 The Caerphilly Homes Task Group recommend to the Policy and Resources Scrutiny Committee and Cabinet that the separate Community Improvement Fund and Community Safety Fund are terminated and the allocation apportionments absorbed within the Environmental Programme budget.

10. REASONS FOR THE RECOMMENDATIONS

10.1 To recognise that the funds are not meeting the purpose for which they were established.

11. STATUTORY POWER

11.1 Housing Acts 1985, 1996, 2004. This is a Cabinet function.

Author: Jane Roberts-Waite, Strategic Coordination Manager
(Telephone: 01443 864340/roberj2@caerphilly.gov.uk)

Consultees: Cllr. David Poole, Deputy Leader & Cabinet Member for Housing
Cllr. Barbara Jones, Deputy Leader and Cabinet Member for Corporate Services
Christina HARRY, Corporate Director Communities
Shaun Couzens, Chief Housing Officer
Gail Williams, Interim Head of Legal Services
Nicole Scammel, Interim Director of Corporate Services and S151 Officer
Phil Davy, Head of Programmes
Marcus Lloyd, Deputy Head of Programmes

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CAERPHILLY HOMES TASK GROUP – 18TH FEBRUARY 2016

**SUBJECT: HOUSING REVENUE ACCOUNT BUDGET MONITORING REPORT
2015/16 (PERIOD 7)**

REPORT BY: CORPORATE DIRECTOR COMMUNITIES

- 1.1 The attached report was submitted to the Policy and Resources Scrutiny Committee on 19th January 2016, as an information item and informed Members on the projected expenditure for the Housing Revenue Account (HRA) for the 2015/16 financial year, and is referred to the Caerphilly Homes Task Group for information.

Author: C Evans, Committee Services Officer, Ext. 4210

Appendices:

Appendix 1 Report to Policy and Resources Scrutiny Committee on 19th January 2016 – Agenda Item 16.

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POLICY & RESOURCES SCRUTINY COMMITTEE 19TH JANUARY 2015

**SUBJECT: HOUSING REVENUE ACCOUNT BUDGET MONITORING REPORT
2015/16 (PERIOD 7)**

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

1. PURPOSE OF REPORT

- 1.1 To inform Members of the projected expenditure for the Housing Revenue Account (HRA) for the 2015/16 financial year.

2. SUMMARY

- 2.1 Members will be aware of the distinction between the HRA (a ring-fenced budget funded in the main by rental income received from council tenants) and General Fund Housing and Private Housing (which fall under the General Fund funded via the Revenue Support Grant, Business Rates and Council Tax).
- 2.2 This report projects the anticipated final outturn for the HRA based upon the expenditure and income trends for the first seven months of the financial year.

3. LINKS TO STRATEGY

- 3.1 The content of the report is in accordance with the budget strategy agreed by Council at its meeting of 25th February 2015. Cabinet approved the HRA estimates on the 4th February 2015.
- 3.2 Budget management itself is in accordance with the corporate theme of Delivering the Strategies.

4. THE REPORT

4.1 Operational HRA

- 4.1.1 The HRA is projecting a £2.9m underspend representing 6.5% of the total HRA budget. This projected underspend relates to the operational HRA and does not include any variance attributable to slippage on the WHQS programme, which is covered separately in Section 4.2 of this report.
- 4.1.2 The main variances against the operational HRA budget are summarised in the following paragraphs and full details are provided in Appendix 1.

Salaries & Mileage (£160k underspend)

- 4.1.3 Salary budgets within the HRA are projected to be underspent by circa £300k, which represents circa 3% of the total salary budget. There are a variety of reasons for this given the volume of staff, but the main cause is staff turnover. This underspend has been partially offset by a projected overspend of £140k for other salary related budgets such as agency staff (which is predominantly from the Housing Repairs Operations response service) and mileage allowances. The increase in agency resources was necessary to support our trade operatives which is projected to lead to a reduction in the use of external contractors.

Income (£1.4m additional)

- 4.1.4 Additional income of £1.4m is anticipated mainly as a result of increased WHQS works by Housing Response Operations, which is recharged to the WHQS capital programme. This additional work has resulted in a projected increase in labour and material costs of £1.3m.

Service Specific and Office Related Expenditure (£280k overspend)

- 4.1.5 Non-pay related budgets (which are predominantly office running costs) are projecting a £20k underspend. Service specific expenditure is expecting a net £300k overspend. The £300k overspend is a combination of the £1.3m overspend on Housing Response Operations (see paragraph 4.1.4), offset by an underspend of £1m on Revenue Projects budgets which includes external contractors for specialist works and to support the response maintenance service.

Capital Financing Costs (£1.4m underspend)

- 4.1.6 Capital Financing Costs are expected to be £1.4m lower than originally budgeted. This underspend relates to the buy-out from the Housing Revenue Account Subsidy (HRAS) in April 2015. In order to buy-out of the system, the HRA borrowed £75m. Initially this was thought to attract a Minimum Revenue Provision (MRP) of 2% in its first year but the Authority's Treasury Advisors (Arlingclose) have since confirmed that the MRP will be deferred by one year from the point of borrowing as is the case under normal borrowing circumstances.
- 4.1.7 A net underspend of £220k is anticipated for other budgets within the operational HRA.

4.2 Welsh Housing Quality Standard (WHQS)

- 4.2.1 Within the HRA there are two distinct areas that form part of the WHQS operations. Both areas are managed within the HRA but are fully funded by the WHQS capital programme and recharged accordingly. Therefore, there should be no cost attributed to the HRA for these areas.
- 4.2.2 The first area is the WHQS Delivery Team which includes the Head and Deputy Head of Programmes, Project Managers, Quantity Surveyors, Clerk Of Works and technical assistance required to oversee and deliver the WHQS programme. The total budget for these areas is circa £1.7m and there are currently no significant variances anticipated.
- 4.2.3 The second area is the In-House Workforce (previously the Direct Labour Organisation (DLO)) which includes the operational staff such as plumbers, carpenters, electricians and foremen that are directly involved with delivering elements of the WHQS programme. This budget of some £8.7m is managed via a Holding Account in the HRA and subsequently recharged to the WHQS programme on a monthly basis via a valuation process. To date, 7 valuations have been completed totalling £4.5m which is an average of £650k per month, and whilst that appears to match the expenditure to date, the budget suggests an average of £730k per month is necessary to meet the £8.7m estimated. Furthermore, costs are projecting to overspend by some £500k in areas such as material supply and sub-contractors which should therefore increase the average monthly valuation to £770k. There is therefore a

potential to under-recover the full costs by year end. Valuations are monitored closely each month and are scrutinised by the Project manager in order to investigate any variance.

- 4.2.4 The Business Plan that was submitted to Welsh Government (WG) for the 2015/16 financial year suggests a borrowing requirement of £43.7m is necessary to fund the WHQS programme. A revised plan is necessary to accommodate a re-profile of the programme and further details are pending on a possible change to the rent policy which could reduce the level of rental income assumed in the plan. These factors will need to be fed into the plan to ensure affordability and to update the level of borrowing requirement needed, without contravening the borrowing cap imposed as part of the HRAS Buy-Out.
- 4.2.5 The Revenue Contribution to Capital Outlay (RCCO) from the HRA is £11.8m from in-year revenue balances and £15.4m from accumulated balances. These contributions fund the majority of the WHQS capital programme which stands at £36m for 2015/16. The WHQS programme is assumed at this stage to be fully spent; therefore the RCCO is expected to be fully committed from the HRA apart from a budget adjustment of £200k. However, an exercise to re-cost the schedule of rates that is used to value the WHQS works has just been completed and new contract arrangements are being procured for the Lower Rhymney Valley and the sheltered housing schemes. Also account has to be taken of tender values for contracts in the Eastern Valleys and the Upper Rhymney Valley, all of which have implications for the financial profile of the programme.
- 4.2.6 A re-profiled programme will be reported to Members in due course in a separate report but is likely to affect the RCCO level required, and subsequently the HRA balances. Any underspend in the RCCO will be earmarked for future WHQS works.

4.3 HRA Working balances

- 4.3.1 HRA working balances at the end of 2014/15 stood at £21m. If the WHQS programme is fully spent this year then £15.4m of this will be utilised as funding. The projected underspend of £2.9m identified in this report will be added to this balance at year end.

5. EQUALITIES IMPLICATIONS

- 5.1 This report is for information purposes, so the Council's Equalities Impact Assessment (EqIA) process does not need to be applied.

6. FINANCIAL IMPLICATIONS

- 6.1 As set out throughout the report.

7. PERSONNEL IMPLICATIONS

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

8. CONSULTATION

- 8.1 There are no consultation responses which have not been reflected in this report.
- 8.2 This report will also be presented to CHTG for information on the 18th February 2016.

9. RECOMMENDATIONS

- 9.1 Members are requested to note the contents of this report

10. REASONS FOR THE RECOMMENDATIONS

- 10.1 To ensure that Members are informed of the financial position of the Housing Revenue Account.

Author: Lesley Allen - Group Accountant, Housing.
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Consultees: Nicole Scammell - Acting Director of Corporate Services & Section 151 Officer.
Mike Eedy - Finance Manager, Environmental Directorate.
Shaun Couzens – Chief Housing Officer
Fiona Wilkins - Public Sector Housing Manager
Paul Smythe – Housing Repairs Operations Manager
Phil Davy – Head of WHQS Programme
Stephen Harris – Interim Head of Corporate Finance
Cllr D Poole – Deputy Leader & Cabinet Member for Housing
Christina Harry – Director of Communities

Appendices
Appendix 1

HRA Financial Plan report 2015/16 (period 7).

HOUSING	Page	Estimate	Projected	Variance
	No	2015/2016	2015/2016	2015/2016
HOUSING REVENUE ACCOUNT		£	£	£
<u>SUMMARY</u>				
GENERAL MANAGEMENT		1,263,551	1,240,930	22,621
CAPITAL FINANCING		8,437,436	7,013,576	1,423,860
CENTRAL RECHARGES		2,108,514	2,108,514	0
STRATEGY AND PERFORMANCE		1,539,011	1,348,139	190,872
PUBLIC SECTOR HOUSING		5,076,154	4,818,796	257,358
SUPPORTED HOUSING		0	0	0
BUILDING MAINTENANCE SERVICES		27,687,271	26,528,147	1,159,124
GROSS EXPENDITURE		46,111,937	43,058,102	3,053,835
INCOME		(46,111,937)	(46,051,582)	-60,355
(SURPLUS)/DEFICIT CONTRIBUTION (TO)/FROM WORKING BALANCES		0	(2,993,480)	2,993,480
HOUSING REVENUE ACCOUNT		£	£	£
<u>GENERAL MANAGEMENT</u>		1,263,551	1,240,930	22,621
<u>CAPITAL FINANCING COSTS</u>				
Interest Charge		2,374,610	851,856	1,522,754
Principal		5,579,423	5,678,317	-98,894
Debt Management		541,084	541,084	0
Resheduling Discount		(57,681)	(57,681)	0
EXPENDITURE TO HRA SUMMARY		8,437,436	7,013,576	1,423,860
<u>CENTRAL RECHARGES</u>				
Central Recharges		1,673,177	1,673,177	0
Grounds Maintenance recharge to HRA		435,337	435,337	0
EXPENDITURE TO HRA SUMMARY		2,108,514	2,108,514	0
HOUSING REVENUE ACCOUNT		£	£	£
STRATEGY & PERFORMANCE		80,007	17,722	62,285
PERFORMANCE DEVELOPMENT		610,487	608,277	2,210
COMMUNICATIONS & ENGAGEMENT		96,540	89,385	7,155
TRANSFORMING LIVES & COMMUNITIES		751,977	632,755	119,222
EXPENDITURE TO HRA SUMMARY		1,539,011	1,348,139	190,872
HOUSING REVENUE ACCOUNT		£	£	£

HOUSING	Page	Estimate	Projected	Variance
	No	2015/2016	2015/2016	2015/2016
<u>PUBLIC SECTOR HOUSING</u>				
Landlord General		124,879	133,629	-8,750
Sheltered Accommodation		1,626,746	1,440,947	185,799
Holly Road Community support		0	13	-13
Lower Rhymney AHO		21,895	20,661	1,234
Eastern Valley AHO		579,647	554,216	25,431
Upper Rhymney AHO		745,189	738,863	6,326
Gilfach NHO		0	0	0
Lansbury Park NHO		322,334	295,225	27,109
Graig Y Rhacca NHO		262,579	245,483	17,096
Allocations		103,873	139,187	-35,314
TENANTS & COMMUNITIES INVOLVEMENT		387,440	369,868	17,572
LEASEHOLDERS MANAGEMENT		46,392	41,810	4,582
Tenancy Enforcement		267,345	257,032	10,313
Rents		631,554	618,718	12,836
Community Wardens		(43,719)	(36,856)	-6,863
EXPENDITURE TO HRA SUMMARY		5,076,154	4,818,796	257,358
<u>HOUSING REVENUE ACCOUNT</u>				
		£	£	£
<u>SUPPORTED HOUSING</u>				
Dispersed Alarms		0	0	0
Telecare Centre		0	0	0
Ty Croeso Hostel		0	0	0
EXPENDITURE TO HRA SUMMARY		0	0	0
<u>HOUSING REVENUE ACCOUNT</u>				
		£	£	£
<u>RESPONSE REPAIRS & MAINTENANCE</u>				
Employee Expenses net of recharges		1,273,368	1,245,055	28,313
Repairs & Maintenance on Housing Stock				
Responsive Repairs		7,937,726	8,091,036	-153,310
Revenue Contribution to Capital - WHQS Programme		13,652,304	13,436,077	216,227
Group/Planned Repairs (priorities 5 & 8)		0	0	0
Void Repairs (priority 6)		0	0	0
Revenue Projects		2,434,000	1,491,053	942,947
Planned Cyclical		2,165,000	2,181,000	-16,000
Planned Programme		0	(112,439)	112,439
		26,189,030	25,086,727	1,102,303
Transport Related		25,270	24,721	549

HOUSING	Page	Estimate	Projected	Variance
	No	2015/2016	2015/2016	2015/2016
Supplies & Services		199,603	171,644	27,959
EXPENDITURE TO HRA SUMMARY		27,687,271	26,528,147	1,159,124
HOUSING REVENUE ACCOUNT		£	£	£
<u>INCOME</u>				
<u>Rents - Dwelling</u>				
Gross Rent - Dwellings		(39,395,374)	(39,395,374)	0
Gross rent - Sheltered		(4,377,264)	(4,377,264)	0
Gross Rent - Hostel		0	0	0
Voids - General Needs Dwelling/Sheltered		500,000	585,000	-85,000
Voids - Hostel		0	0	0
Net Rent		(43,272,638)	(43,187,638)	-85,000
<u>Rents - Other</u>				
Garages		(474,365)	(336,678)	-137,687
Garage Voids		200,304	91,768	108,536
Shop Rental		(53,562)	(53,562)	0
		(327,623)	(298,472)	-29,151
<u>Service Charges</u>				
Sheltered - Service Charges		(1,423,909)	(1,512,696)	88,787
Sheltered - Heating & Lighting		(262,418)	(228,632)	-33,786
Sheltered & Dispersed- Alarms		0	0	0
Catering Recharge - Sheltered Accommodation		(53,657)	(48,700)	-4,957
Voids Schedule Water		46,456	46,456	0
Non Scheduled Water Rates		(51,031)	(51,031)	0
Welsh Water Commission		(717,117)	(715,387)	-1,730
Leaseholder - Service Charges		(10,000)	(10,000)	0
		(2,471,676)	(2,519,990)	48,314
<u>Government Subsidies</u>				
Housing Subsidy		0	(7,282)	7,282
		0	(7,282)	7,282
<u>Interest Receivable</u>				
Mortgage Interest		(3,000)	(1,200)	-1,800
Investment Income		(7,000)	(7,000)	0
		(10,000)	(8,200)	-1,800
<u>Miscellaneous</u>				
Miscellaneous		0	0	0
Private Alarms		0	0	0
Ground Rent		(30,000)	(30,000)	0
		(30,000)	(30,000)	0
INCOME TO HRA SUMMARY		(46,111,937)	(46,051,582)	-60,355

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CAERPHILLY HOMES TASK GROUP – 18TH FEBRUARY 2016

SUBJECT: WHQS MONITORING REPORT APRIL 2015 – SEPTEMBER 2015 (HALF YEAR)

REPORT BY: CORPORATE DIRECTOR COMMUNITIES

1. PURPOSE OF REPORT

- 1.1 This report provides members of the Task Group with an overview of the performance of the WHQS Team during the six months from April 2015 to the end of September 2015.
- 1.2 Details of the capital expenditure programme for 2015-16 for WHQS works are also included.

2. SUMMARY

- 2.1 The report describes the arrangements that have been put in place to monitor and manage the performance of the WHQS programme for 2015-16. Performance is monitored and managed formally via the WHQS Management Delivery Team meetings, which occur every month, and by the WHQS Project Board, which meets fortnightly.
- 2.2 The WHQS internal works programme for 2015-16 includes 1,837 properties which is a considerable increase from the 887 properties included in the 2014-15 programme. At the time of writing 70.1% of the 2015-16 internal works programme had been surveyed. Of these properties surveyed so far only 6 were found to require no works. Of the remaining 1,831 properties, work on 580 will be undertaken by the in-house workforce, supported by specialist sub-contractors. This leaves 1,251 properties which will be undertaken by the three main outside contractors; Keepmoat (Eastern Valleys); Contract Services (Lower Rhymney Valley); and Vinci (Upper Rhymney Valley). As of 13th January 2016, 544 properties within the internal works programme were compliant in respect of their internal elements (29.6%). Details of compliance levels within each community in the internal works programme 2015-16 are included in the report.
- 2.3 Arrangements have now been put in place to measure tenant satisfaction levels and compliance with service standards for the internal works contracts via surveys. The 155 surveys returned in the first half of 2015-16 reveal that the overall satisfaction level for internal works is 86%. They also reveal that we are achieving 83% of the standards that we measure within the Charter For Trust document. An external works survey has not yet been implemented in 2015-16 because of delays to contract completions.
- 2.4 The WHQS external works programme for 2015-16 includes 1,520 properties. Work on 31 of these properties is being completed by the in-house workforce in the Lower Rhymney Valley, supported by sub-contractors. They are also carrying out external works on 72 properties at Rowan Place in the Upper Rhymney Valley. This work has carried over from the 2014-15 programme. The majority of external works are being undertaken by outside contractors.

- 2.5 A performance dashboard for the surveying of external works has now been deployed. Not all the external works contracts for 2015-16 are contained within the Keystone system, but there are now 945 properties/blocks within contracts in the system, of which 829 have been surveyed (87.7%). All of the properties surveyed so far required some element of external works.

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 achieve specified standards. It is a Welsh Government requirement that the WHQS is achieved by 2020.
- 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 aims:
“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.”

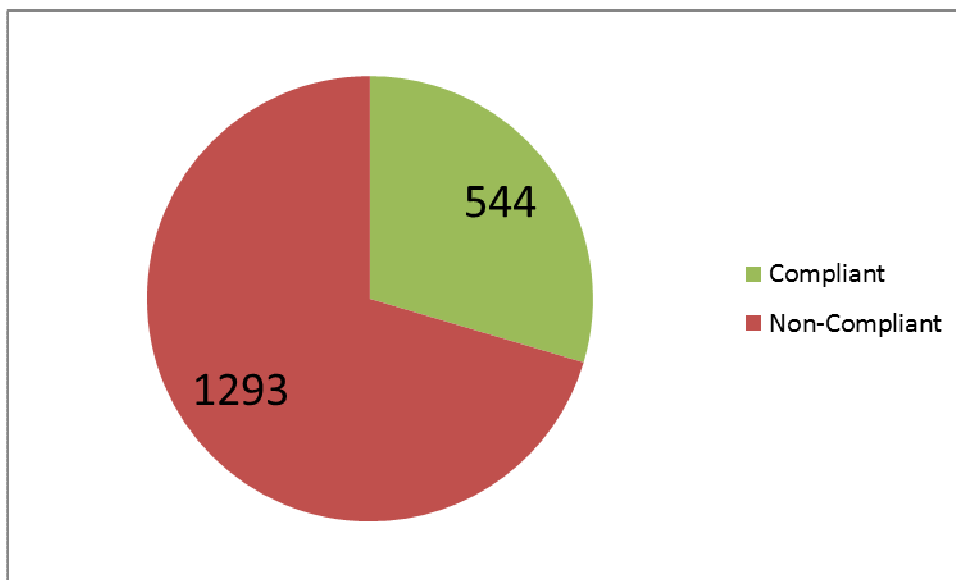
4. THE REPORT

4.1 Performance Monitoring and Management Arrangements

- 4.2 The performance of the WHQS Team is monitored using reports based on data within the Keystone asset management system. This system records information relating to the age of individual components within council homes, along with the estimated costs associated with replacing those components. The system is also used to monitor the contracts within the WHQS programme, and the actual costs associated with those contracts.
- 4.3 Performance is monitored continually via a number of bespoke dashboards that have been created by the Housing Systems and Performance team. The Internal Works Volume Metrics dashboard provides 'real time' information on the progress of all internal works contracts.. The Internal Works Financial Metrics dashboard provides up-to-date information on the costs incurred by all internal works contracts based on a Schedule of Rates used by Savills, as part of the stock condition survey carried out in 2008, together with an 'in-house' Schedule of Rates. All the dashboards allow staff to drill down to see individual property detail from a high level summary view.
- 4.4 Two new bespoke performance management dashboards have been deployed during 2015-16 which monitor the surveying of internal and external works. During 2016 it is anticipated that a further two dashboards will be deployed which will focus upon the monitoring of completed works for both internal and external works.
- 4.5 Performance is reported formally to the monthly WHQS Management Delivery Team Meetings.
- 4.6 A significant revision of the WHQS programme took place towards the end of 2015 that was the subject to a separate re-profiling report to CHTG on 10th December 2015.
- #### **4.7 Progress of the Internal Works Programme 2015-16**
- 4.8 Surveying of the 1,837 properties in the internal works programme for 2015-16 is 70.1% complete. There remain 148 kitchens; 228 bathrooms; 30 heating systems; and 198 electrical systems that are un-surveyed in a total of 549 properties. 223 of these properties are within the in-house contractor programme; and 326 within the outside contractor programme.

- 4.9 Work is continuing to ensure that target work start and target work end dates, together with actual start and end dates are entered into the Keystone system for the internal works programme for 2016-17. This will enable more robust performance monitoring.
- 4.10 Pie chart 1 (below) shows that at the time of writing 544 properties in the 2015-16 programme were compliant in relation to their internal elements. Note this report only looks at properties in the planned programme for 15/16 not cumulative compliance, or slippage between years. Upon surveying, 6 properties were found to be already compliant or were classed as acceptable fails – no works were therefore required in these homes. 'Compliance' indicates that a property meets the WHQS internally because:
- We have carried out works to renew one or more elements to achieve compliance.
 - One or more elements within a property were already compliant.
 - The tenant refused the renewal of one or more elements (this is classed as an acceptable fail – resident choice).
 - Or any combination of the above reasons.

4.11 Pie chart 1: Internal works compliance (2015-16)



- 4.12 Contract work is delivered and managed in three geographical areas; Eastern Valleys; Lower Rhymney Valley; and Upper Rhymney Valley. Table 1 (below) reports on compliance levels within each of the community areas within the 2015-16 WHQS programme. It reveals that overall 29.6% of the properties in the programme are now compliant. Where communities have a low level of compliance, typically it indicates that works have not yet commenced, or have not yet been completed, or have been completed but not yet entered into the Keystone system by WHQS Team staff.

4.13 Table 1: Internal works compliance by community (WHQS Programme 2015-16)

Contractor	Area	Community Area	Compliant	Non-Comp.	Grand Total	% Compliant
In-House	Eastern Valleys	MORRISVILLE	0	12	12	0.0%
In-House		PERSONDY	20	9	29	69.0%
In-House		TY-SIGN UPPER	0	79	79	0.0%
In-House		WATTSVILLE	4	24	28	14.3%
In-House		WESTEND	9	3	12	75.0%
In-House	Lower Rhymney Valley	GRAIG Y RHACCA	109	14	123	88.6%
In-House		TRETHOMAS	10	73	83	12.0%
In-House	Upper Rhymney Valley	CASCADE	0	18	18	0.0%
In-House		CEFN HENGOED	24	80	104	23.1%
In-House		NELSON	0	48	48	0.0%
In-House		TIRYBERTH	0	44	44	0.0%
In-House Contractor Sub Total			176	404	580	30.3%
Outside Contractor	Eastern Valleys (Keepmoat)	ARGOED	0	30	30	0.0%
Outside Contractor		BRITANNIA	0	83	83	0.0%
Outside Contractor		CEFN FFOREST	131	197	328	39.9%
Outside Contractor		FAIRVIEW	0	31	31	0.0%
Outside Contractor		FLEUR-DE-LYS	0	46	46	0.0%
Outside Contractor		MARKHAM-HOLLYBUSH	0	54	54	0.0%
Outside Contractor		PENGAM	0	28	28	0.0%
Outside Contractor	Lower Rhymney Valley (Contract Services)	LANSBURY PARK	236	189	425	55.5%
Outside Contractor	Upper Rhymney Valley (Vinci)	PONTLOTTYN	1	231	232	0.4%
Outside Contractor Sub Total (including 6 homes that were already compliant)			368	889	1257	29.3%
Grand Total			544	1293	1837	29.6%

4.14 **Progress of the External Works Programme 2015-16**

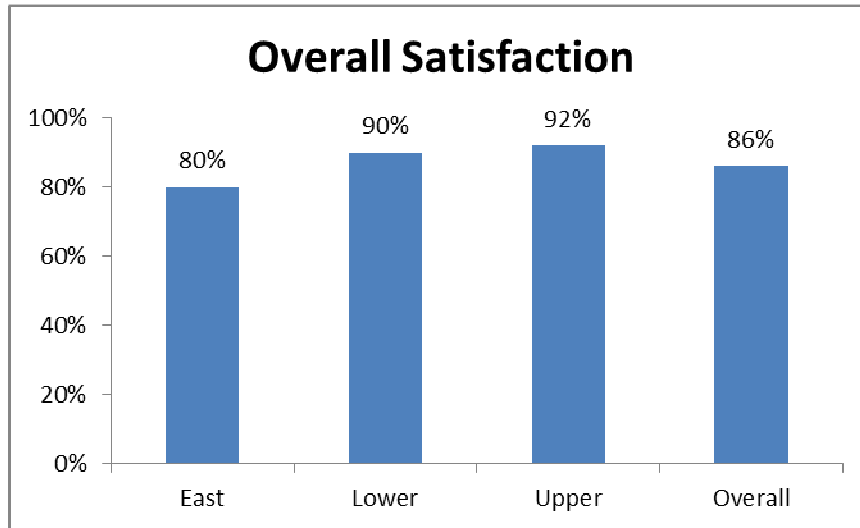
- 4.15 The WHQS external works programme for 2015-16 includes 1,520 properties. Work on 31 of these properties is being completed by the in-house workforce in the Lower Rhymney Valley, supported by sub-contractors. They are also carrying out external works on 72 properties at Rowan Place in the Upper Rhymney Valley which has carried over from the 2014-15 programme. The majority of external works are being undertaken by outside contractors.
- 4.16 Significant progress has been made in 2015-16 in terms of the management and monitoring of external works contracts. All new contracts are now being entered into the Keystone system. The majority of contracts are now being surveyed using hand-held tablet devices. This has significantly improved the efficiency of the surveying process as data collected in the field is automatically loaded into the Keystone system. The implementation of an external works Schedule of Rates (SOR) has also improved the efficiency of the surveying process as surveyors now select SOR items from a list whilst in the field rather than carrying out that task on return to the office.
- 4.17 Entering SOR items into contracts within the Keystone system allows contract progress to be monitored using automated management reports. In 2015-16 a new survey status dashboard was introduced for monitoring the progress of external works surveying (see screenshot in Appendix 1).
- 4.18 The dashboard for the external works programme for 2015-16 reveals that 829 of the 945 properties/blocks (87.7%) have been surveyed in the external works programme 2015-16. All of these contracts are to be completed by outside contractors via a variety of procurement frameworks.
- 4.19 Performance information relating to the completion of external works is not yet available, but arrangements are underway for Clerk of Works to use mobile technology (tablets) to undertake contract variations and completions for external works contracts in the Keystone system. This will facilitate the development in 2016 of a new external works dashboard which will be used for monitoring contract completions.

4.20 **Tenant Satisfaction with the Internal Works Programme 2015-16**

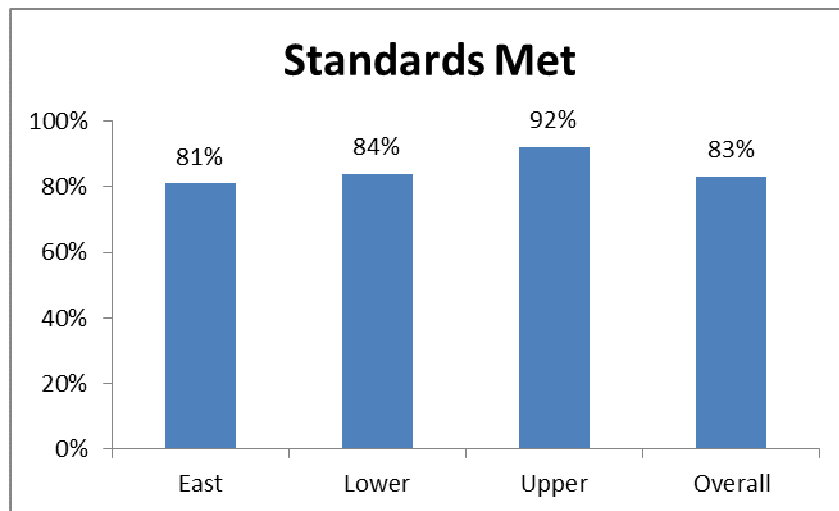
- 4.21 Tenant satisfaction levels and compliance with service standards for internal works are measured via surveys which are sent to tenants after a contract has been completed. The Housing Systems and Performance section administer this service. A total of 385 surveys were produced for 2015-16 internal works contracts of which 155 were completed, which represents an overall return rate of 40.2%. Of the 155 completed surveys, 27 were completed by tenants within their homes with the assistance of tenant representatives (CSIMs).
- 4.22 Table 2 below provides a summary and breakdown of the returned surveys for each of the WHQS Team operational areas within the County Borough. It shows that the overall satisfaction level for internal works is 86%. It also shows that we are achieving 83% of the standards that we measure within the Charter For Trust document. Charts 1 and 2 display these two measures for each of the WHQS Team operational areas.
- 4.23 Table 2: Satisfaction levels and standards met by WHQS Team operational areas (2015-16).

Area	Surveys Returned	Overall Satisfaction	Standards Met
East	62	80%	81%
Lower	81	90%	84%
Upper	12	92%	92%
Overall	155	86%	83%

4.24 Chart 1: Overall satisfaction levels by WHQS Team operational areas (2015-16).



4.25 Chart 2: Standards met by WHQS Team operational areas (2015-16).



4.26 Table 3 below summarises internal works satisfaction levels and standards met by the in-house contractor. Table 4 below summarises internal works satisfaction levels and standards met by the outside contractors. Table 5 below summarises the internal works satisfaction levels and standards met for individual contracts within the internal works programme for 2015-16.

4.27 Table 3: Overall satisfaction levels and standards met by the in-house contractor (2015-16).

In-house Contractor	Surveys Returned	Overall Satisfaction	Standards Met
East	16	100%	88%
Lower Rhymney Valley	17	100%	91%
Upper Rhymney Valley	12	92%	92%
Overall	45	98%	90%

4.28 Table 4: Overall satisfaction levels and standards met by the outside contractors (2015-16).

Outside Contractors	Surveys Returned	Overall Satisfaction	Standards Met
Keepmoat(East)	46	73%	78%
Contract Services (Lower)	64	87%	82%
Vinci (Upper)	0	N/A	N/A
Overall	110	81%	80%

4.29 Table 5: Overall satisfaction levels and standards met for individual contracts (2015-16)

Contract	Surveys Returned / Produced	Overall Satisfaction	Standards Met
INT15C-EC04 DYLAN AVENUE/PWLLGLAS ROAD	15 / 31	73%	80%
INT15C-EC05 ST MARGARETS AVE/FAIRVIEW	9 / 28	63%	77%
INT15C-EC06 CEFN FFOREST AVE/TYNYCOED CRES	11 / 21	73%	75%
INT15C-EC07 DAVIES ST/BRYNGOLEU ST/BRYN RD	5 / 15	60%	74%
INT15C-EC08 GREENWOOD RD/WHEATLEY PL	1 / 5	100%	83%
INT15C-EC09 ADDISON ST/BEVAN CRES	5 / 11	100%	81%
INT15C-LC04 ALEXANDER COURT	21 / 47	85%	83%
INT15C-LC05 BUXTON COURT	19 / 38	78%	75%
INT15C-LC06 GRAHAM COURT	12 / 43	92%	90%
INT15C-LC08 WEDGEWOOD COURT	4 / 17	100%	81%
INT15C-LC09 HARTSHORN COURT	8 / 20	100%	86%
INT15D-E23 ACACIA/LABURNAM/MAPLE/PERSONDY/SYCAMORE	8 / 23	100%	87%
INT15D-E24 RAILWAY TERRACE/TROEDYRHIW	8 / 11	100%	90%
INT15D-L18 DICKENS COURT ODD NUMBERS	9 / 24	100%	88%
INT15D-L19 DICKENS COURT EVEN NUMBERS	3 / 8	100%	90%
INT15D-L20 GRAYS GARDENS ODD NUMBERS	3 / 16	100%	96%
INT15D-L21 GRAYS GARDENS EVEN NUMBERS	2 / 8	100%	97%
INT15D-U23 HEOL Y FELIN/GELLIGAER RD/DERWENDEG AVE	12 / 19	92%	92%
Overall	155 / 385	86%	83%

4.30 A survey to measure satisfaction levels and service standards for external works has been prepared. However, the contracts in the external works programmes have been delayed. It is therefore anticipated that external works surveys should be produced during the last quarter of 2015-16.

4.31 **The Capital Expenditure Programme for WHQS Works (2015-16)**

4.32 The Housing Capital Programme has spent £13.3m in the first seven months. The full year budget of £36m is based on the Savills cost plan. Included in this spend is works slippage from the previous year

4.33 Current projections based on information received to date suggest that the programme will spend £300k short of its full budget allocation. However given the position with a number of contracts and the impact of adverse weather on external works a much higher underspend is more likely at the out turn.

- 4.34 Valuations from the early contract packages given to the internal works contractors have given mixed results, and there is an indication of increasing costs based on trends emerging from the earlier external works tender prices so an accurate forecast of costs is difficult. The external works specifications have now been reviewed but full tender information has yet to be collated. All WHQS works are projected on Savills costs until actual contract costs are available, furthermore the full budget is assumed per contract until the properties have been surveyed which will identify any previously achieved or acceptable fails.
- 4.35 Any variation to the capital programme will affect the funding stream committed from the HRA.

5. EQUALITIES IMPLICATIONS

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

6. FINANCIAL IMPLICATIONS

- 6.1 There are no financial implications that arise directly from the report.

7. PERSONNEL IMPLICATIONS

- 7.1 The Housing Systems and Performance Team is part of the IT Service Area. Staff within the team are responsible for the development and maintenance of the database to generate management information.

8. CONSULTATIONS

- 8.1 Comments received have been incorporated within the report.

9. RECOMMENDATIONS

- 9.1 That the report is for information.

10. REASONS FOR THE RECOMMENDATIONS

- 10.1 To provide the Caerphilly Homes Task Group with information on progress with the WHQS Programme.

11. STATUTORY POWER

- 11.1 Housing Acts 1985, 1996, 2004, 2014.

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Colin Roden	-	WHQS Implementation Project Manager
Alan Edmunds	-	WHQS Implementation Project Manager
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Appendices:

Appendix 1 A screenshot of the new external works surveying dashboard that was introduced during 2015-16.

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Appendix 1 – A screenshot of the new external works surveying dashboard that was introduced during 2015-16

Report_ExtWksDashboard_Survey_StatusV1

View Properties History Subscriptions

New Subscription

Select contractor type: Select Year:

1 of 1 100% Find | Next Select a format Export

Survey Status: External Works 2015/16 Outside Main Contractor

Area	Contract	Description/address	Property/Block Surveys % Completed	ASB Surveys % Completed where requested	OT Surveys % Completed where requested	All Surveys % Completed
Eastern Valleys		WHQS Team Area with 594 Properties; 99% property surveys completed; 0% property surveys part-completed; 0% property surveys not started; and 6 with OT involvement.	99 %	94 %	0 %	94 %
Lower Rhymney Valley		WHQS Team Area with 105 Properties; 76% property surveys completed; 0% property surveys part-completed; 23% property surveys not started;	76 %	97 %	0 %	74 %
Upper Rhymney Valley		WHQS Team Area with 246 Properties; 64% property surveys completed; 30% property surveys part-completed; 6% property surveys not started;	64 %	97 %	0 %	64 %
Total		Outside Main Contractor with 945 Properties/Blocks; 88% property surveys completed; 4% property surveys not started; and 6 with OT involvement.	88 %	95 %	0 %	84 %

Note: The information in this dashboard is updated each night at 5pm. If you update Keystone you will not see your changes on this dashboard until after 5pm.

Note: Red colour indicates completions of less than 50%; amber indicates 50% to 99%; and green 100% complete. (These percentages are calculated excluding no-accesses on property surveys). Red colour on a property address indicates that the property requires an EPR check.

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