



POLICY AND RESOURCES SCRUTINY COMMITTEE – 28TH FEBRUARY 2017

**SUBJECT: WELL BEING OBJECTIVE WO5 – INVESTMENT IN COUNCIL
HOMES TO TRANSFORM LIVES AND COMMUNITIES**

REPORT BY: CORPORATE DIRECTOR - COMMUNITIES

1. PURPOSE OF REPORT

- 1.1 To update progress against Well Being Objective (WO5) – Investment in Council homes to transform lives and communities for 2016/17.

2. SUMMARY

- 2.1 The report covers the period April 2016 to December 2016. The internal works have achieved 1567 completions against a target of 1692 (93%). The external completions have achieved 584 completions against a target of 1992 (28%).
- 2.2 Works in relation to energy efficiency and adaptations to meet tenants specific needs have progressed well during the year so far.
- 2.3 There has been limited progress in relation to the environmental programme.
- 2.4 Tenant satisfaction levels remain high with extremely low levels of complaints.
- 2.5 During the period covered by this report it is assessed that achievement against the Well Being Objective WO5 is partially successful.

3. LINKS TO STRATEGY

- 3.1 The delivery of the Welsh Housing Quality Standard (WHQS) programme is coterminous with the aims of the Wellbeing of Future Generations (Wales) Act 2015 which requires public bodies to work towards a shared vision comprising 7 goals and adopt the 5 “Ways of Working”. The goals and the 5 Ways of Working will underpin the delivery of the programme and include planning and acting for the long term, integration, involvement, collaboration and prevention.
- 3.2 The Welsh Housing Quality Standard (WHQS) is intended to ensure that all local authority and housing association homes are improved and maintained to achieve specified standards. It is a Welsh Government requirement that the WHQS is achieved by 2020.
- 3.3 The Caerphilly Delivers - Single Integrated Plan 2013-2017 has a priority to “improve standards of housing and communities, giving appropriate access to services across the County Borough”.

3.4 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 Work has progressed during 2016/17 based around the amended WHQS programme approved by Cabinet in February 2016 plus the subsequent slippage that resulted at year end. Specific details in relation to progress and performance are highlighted further within the report.

4.2 Internal works completions to the end of Q3 was 1567 properties against a target of 1692 to this point in the year. This provides a completion rate of 93% against target at this point in the financial year. There are a number of reasons why there is currently a slight under achievement. Some of this slippage is as a result of "no access". This is where staff and/or contractors have failed to gain access to properties to undertake works. There are numerous reasons why this may result such as ill health of tenants, tenants not prepared to engage, programme time slot does not suit tenant. There have also been some issues with external contractors performance where they have not achieved the targets set. It should be noted that the in-house DLO is currently ahead of schedule for 2016/17.

4.3 External works completions are currently lagging well behind target. To the end of Q3 only 584 properties have been completed against a target of 1992. This does compare favourably when compared to the previous year, 2015/16, where only 299 completions were recorded. The main reason for this level of performance has been that the Lower Rhymney Valley (LRV) does not have contractual arrangements in place to undertake external works. It was originally envisaged that this work would be undertaken by the in-house DLO. However, resources were reallocated to Rowan Place and are now being targeted at the Sheltered Housing. Alternate contract arrangements are currently being procured and are planned to be in place to utilise from April 2017.

4.4 In the East and Upper Rhymney Valley area external works contracts have not progressed as quickly as anticipated. This has predominantly been the result of limited contractor availability within the small lots process in the East and the framework arrangement in the North. The arrangement being put in place for the LRV is a more flexible process with contingency built in to allow its use in the other areas if needed. It is anticipated that this will assist in addressing the backlog moving forward.

4.5 It should be noted that there have been works undertaken in relation the external wall insulation (EWI). So far during 2016/17 229 properties have benefited from installation of EWI at Pontlottyn, Gilfach and Gelligaer. These works transform the appearance of properties as well as assisting to address fuel poverty and reduce tenants energy bills. Recently further EWI works have commenced at Lansbury Park. The initial phase 1 works will target 320 council owned properties with phase 2 to follow improving the remainder of the council owned properties at Lansbury Park (188no).

4.6 Whilst the slippage situation needs to be minimised it is unlikely to be completely eradicated as there will inevitably be issues affecting individual properties and as far as practicable consideration is given to the tenants when work is planned.

4.7 The Housing Revenue Account (HRA) garage programme was planned to be complete by April 2017. Unfortunately new contract arrangements have had to be put in place which will delay completion until some time during 2017/18.

4.8 Survey work has commenced in relation to sheltered housing schemes. Good progress has been made in this area since the decision was made to undertake these works in-house utilising a full property approach. Construction works to the first scheme are planned to

commence in April 2017.

- 4.9 The Environmental Programme has now made some progress with over 100 small local schemes spread across the borough being approved and a number have already been completed with many more in progress. Tenant consultations are ongoing to identify further schemes.
- 4.10 Based on the performance during 2016/17 to date along with a further re-profiling exercise that is currently progressing, there remains sufficient flexibility in the programme to achieve completion by March 2020.
- 4.11 Customer satisfaction levels remain high with an average of 93% of tenants being satisfied with works undertaken to their homes against a target of 80%. In relation to standards met this is still high at 88% although it is slightly below the target of 90%. Overall performance can be considered good. There have been some recent minor issues with one of the contractors, which is now being addressed.
- 4.12 Compliments/complaints are being regularly monitored. During 2016/17 to date the WHQS team have received 12 stage 1 complaints and 4 stage 2 complaints. In addition there have also been 11 cases of compliments/praise received in writing from tenants. This identifies that there is a balance between views and it should be noted that generally tenants are more likely to raise a concern than provide written praise. This all needs to be balanced against the number of property completions during 2016/17 so far which stands at 1567 properties for internal works and 584 for external works. Given this volume of work the number of complaints received is considered to be extremely low.
- 4.13 The Council made a commitment in 2012 at the outset of the programme to ensure that its investment in homes delivered more than simply new kitchens and bathrooms. Its ambition to transform homes, lives and communities has been realised through incorporating community benefit obligations as a core requirement into all internal works contracts and its supply partner contract. To date, the inclusion of community benefits into WHQS contracts has delivered 68 permanent full time opportunities with contractors and 83 full time opportunities within the Council as a result of the direct workforce undertaking 50% of the work. 19 apprenticeships have been created with contractors and 34 apprenticeships within the Council. As a result of linking the delivery of work placements for unemployed people aged 16+ with the Welsh Government's LIFT programme which is delivered in partnership with Communities First, 38 work placements have been delivered since the start of the programme. Further benefits relating to the creation of community funds to support local activities, attendance at community events, sponsorship of Caerphilly Homes Awards and projects linked with local schools have also been delivered.

5. WELL-BEING OF FUTURE GENERATIONS

- 5.1 The delivery of the WHQS improvement programme is coterminous with the aims of the wellbeing of Future Generations (Wales) act 2015, in particular:-
- **Long Term:** the report includes the continued investment and performance to achieve WHQS by 2020. This investment provides long term improvements to the property, community and to the tenants well being.
 - **Integration:** The programme looks to integrate property and environmental improvements that will benefit and transform lives and communities throughout the borough. It further brings together a variety of stakeholders to deliver long term sustainable benefits for lives and communities.
 - **Involvement:** Tenants and local residents are being consulted on the proposed property improvements, environmental works along with various initiatives that are part of the WHQS programme delivery.
 - **Collaboration:** The programme delivery is focussed on internal collaboration, partnerships with suppliers and contractors, joint working with the community and various

groups. The delivery of community benefits and tenant engagement by all involved with the WHQS programme is a key focus and is clearly demonstrable within its delivery.

- **Prevention:** The works to improve lives and communities will help tackle local unemployment. It will further improve the look and feel of the environment and help prevent anti-social behaviour.

6. EQUALITIES IMPLICATIONS

- 6.1 An Equalities Impact Assessment is not required as the report is for information.

7. FINANCIAL IMPLICATIONS

- 7.1 The Capital Programme for 2016/17 is £38.6M. It is projected that the outturn capital expenditure will be circa £26M (to be confirmed when the accounts are closed), resulting in an under-spend of approximately £12M. The under-spend will be utilised to fund the future years programme.

8. PERSONNEL IMPLICATIONS

- 8.1 The timetable pressure is increasing and there has to be the capacity within the staff resources to cope with the volume of work. Staff movement and recruitment difficulties remain a risk to the programme and have continued to be an issue during 2016/17.
- 8.2 Continued close management and monitoring of performance of the programme is essential to ensure that its delivery is not compromised in any way. There will be an increase in workload for the in-house team due to the sheltered housing schemes commencing and additional resources will be required to ensure performance in achieving the objective is maintained.

9. CONSULTATIONS

- 9.1 All responses from consultations have been incorporated in the report

10. RECOMMENDATIONS

- 10.1 Members are asked to note the content of the report and to agree or challenge the judgement of partially successful at this stage of the year.

11. REASONS FOR THE RECOMMENDATIONS

- 11.1 To advise Members of the progress made in 2016/17 to date, in delivering the improvement objective and to gain agreement on the judgement of the service as to progress made.

12. STATUTORY POWER

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

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Cllr David Hardacre - Cabinet Member for Performance & Asset Management
Cllr Elaine Forehead - Chair Caerphilly Homes Task Group
Anna Lewis - Vice Chair Caerphilly Homes Task Group
Christina Harray - Corporate Director – Communities
Nicole Scammell - Acting Director of Corporate Services & S151 Officer
Shaun Couzens - Chief Housing Officer
Ros Roberts - Performance Manager
Ian Raymond - Performance Management Officer

Background Papers: Welsh Housing Quality Standard (WHQS)
The Council's Local Housing Strategy
The Caerphilly Delivers - Single Integrated Plan 2013-2017

Appendices:
Appendix 1 WO5 - Investment in Council homes to transform lives and communities

2016/17 Wellbeing Objective

APPENDIX 1

WO5 - Investment in Council homes to transform lives and communities

Outcomes:

The Welsh Government and this Council believes that everyone in Wales should have the opportunity to live in a good quality home within a safe and secure community. To help achieve this, the physical standard and condition of existing housing must be improved and maintained to the Welsh Housing Quality Standard (WHQS).

The standard has seven main parts:

- In a good state of repair.
- Safe and secure.
- Adequately heated, fuel efficient and well insulated.
- Contain up-to-date kitchens and bathrooms.
- Well managed (for rented housing).
- Are located in attractive and safe environments.
- Meet and suit the specific requirements of the household (as far as reasonable and practicably possible). For example, catering for specific disabilities.

We will aim to ensure all council homes meet the WHQS, helping to improve the quality of life for the people who live in those homes. The programme of work will create long-term arrangements, which will help sustain local jobs, offer skills development and training opportunities, and deliver wider community benefits.

By 2020, we want our communities to know:

- We delivered the best quality home improvements scheme to our tenants.
- We did it with them and not to them.
- Their homes created real jobs in our communities.
- We delivered the whole project on time and in budget

These ambitions can only be achieved with the entire Council and tenants and other key stakeholders working together and we are confident that with their support this programme will transform council homes, the lives of our citizens and our communities.

2016/17 Wellbeing Objective

WO5 - Investment in Council homes to transform lives and communities

For the year 2016/17 the overall level of progress to date on this objective is deemed to be **partially successful**.



Throughout the following report pages, there is reference to relevant performance, actions and proposals to manage, monitor and improve performance and outputs.

There has been steady progress across all elements of this objective, which has led to the following highlights:





- * Overall customer satisfaction levels are at 93% against a target of 80%.
- * Overall satisfaction levels against standards met are at 88% against a target of 90%.
- * Expenditure is currently £18.9M against the budget of £38.6M
- * There have been 816 properties that have had specific tenant need bathroom adaptations completed since the start of the WHQS programme (21% of properties to date).
- * External Wall Insulation (EWI) has been completed to 229 properties to improve energy efficiency to non-traditional properties.
- * Internal and external works surveying is now ahead of programme with surveys for 2017/18 works already well underway.
- * Internal works completion figures for 2016/17 are currently running at 93% of the target.
- * Rowan Place works are substantially complete to properties with finishing works and an environmental improvement scheme currently ongoing.
- * Lansbury Park external wall insulation works have recently commenced on site and will be ongoing into the next financial year.
- * Works to the garages are well advanced in the east area. New contract arrangements are being finalised to progress further works in the north and south of the borough.
- * Surveying work has commenced for the sheltered housing stock in readiness to commence improvements works in April 2017.

Key: The following Action RAG status, shows delivery to date as	
	Un-successful
	Partly successful
	Fully successful

WO5 - Investment in Council homes to transform lives and communities**Actions**

Title	Comment	RAG	Overall Status	% Complete
1. Implement the environmental improvements to meet Part 6 of the standard of attractive and safe communities.	<p>Part 6 (WHQS 2008) states: All dwellings should be located in an environment to which residents can relate and in which they can be proud to live and all opportunities should be taken to make improvements to the immediate environment (within the property boundary) of individual dwellings and to the general environment.</p> <p>Safety and privacy of the property is being considered as part of the external works surveys and works undertaken to address any concerns noted in accordance with the WHQS requirements. Works have been slow to progress to date due to contract arrangements not being in place to undertake the external works throughout the borough. Alternative contract arrangements and contingency measures are currently being developed.</p> <p>The environmental programme is now commencing to look to improve the wider general environment. Again work in this area has been slow to commence. Some quick wins have been implemented such as new fences, walls, bollards, etc have been installed at some locations. Consultation is currently underway with the Environmental Officers and the local communities to identify appropriate projects that can commence during 2017/18.</p>		In Progress	5
2. The continued delivery of the capital investment programme in respect of internal and external repairs and improvements	<p>There has been a stepped change in the delivery of the capital investment programme. The spend in Q1 of £4M increased to approximately £12.5M in Q2. This has now further increased to £18.9M for Q3. It should be noted that there was a high level ECO spend in Q2 of around £1M which was not replicated in Q3. There is a definite split between the value of work undertaken between the internal works and the external works. Currently at the end of Q3 the internal works value is £11.1M and the external works value is £4.1M. In percentage terms approximately 93% of the overall internal works programme is complete against 28% of the total external works programme against the current 2016/17 programme target.</p> <p>Reviewing the forward workload a further stepped change is needed to improve the external work outputs. Work is ongoing to put appropriate arrangements in place for 2017/18. The internal works is currently running slightly behind programme but there are already contingency measures in place for 2019/20 if there is any slippage. These improvements will ensure that the work and spend required to deliver the programme by March 2020 will be achieved.</p>		In Progress	61

WO5 - Investment in Council homes to transform lives and communities**Actions**

Title	Comment	RAG	Overall Status	% Complete
3. The continued pursuit of external funding opportunities to support energy improvement measures	During the first 6 months of 2016-17 the contract with Eon energy was signed and works commenced on EWI partially funded works for the WHQS programme. Works have been completed at Pontlottyn, Gilfach and Gelligaer. Further works, initiation works at Lansbury Park have recently commenced and will continue into 2017/18. A Warm Homes bid was unsuccessful during Q3. Further Warm Home bids and ECO funding opportunities will be progressed when they become available.		In Progress	60
4. The understanding and importance of carrying out timely and sensitive adaptations that meet specific needs of certain individual households	Timely and sensitive adaptations are continually being identified and progressed as part of the internal and external works programme. During the last financial year (2015-16) OT and surveying resources were increased to ensure tenants needs were identified and fully assessed. This work has continued during 2016-17. Further improvements in service delivery and efficiency are currently being implemented with the utilisation of mobile technology and an appointment process overseen by a dedicated planner. As an example, approximately 21% of the bathroom upgrade works have received appropriate adaptations to meet tenants specific needs since the commencement of the WHQS programme (816 properties).		In Progress	75
5. Adhere to the standards set out in the Charter for Trust. This applies to both the in house workforce and contractors	The Charter for Trust is a key document to provide tenants with confidence that the works to their homes will be undertaken with respect. This is measured via a customer satisfaction survey sent to each property on completion of the works. Currently the overall level for all contractors in relation to standards met is 88% which is slightly below the target of 90%. There are currently some minor variances in performance between the contractors with the in-house DLO performing slightly better than the external contractors. The in-house provider is achieving the target of 90%. All the external contractors are slightly below target with an average of 87%. There are ongoing progress meetings with all contractors to try and further improve on the performance figures going forward.		In Progress	75
6. Achieve and maintain the high levels of tenant satisfaction with the work undertaken to their homes	A customer satisfaction survey is sent to all tenants on completion of works to their property. Currently the average target is being exceeded but there is scope for improvement in certain areas and with specific contractors. These concerns are actively being addressed. Current overall performance figures are above target at 93% with only a concern with one contractors performance. Ongoing dialogue with this contractor is currently taking place to improve their performance and bring it up to an appropriate satisfaction level (currently at 84%).		In Progress	75

WO5 - Investment in Council homes to transform lives and communities**How much did we do?**

Title	Actual	Target	Intervention	RAG	Result 12 months ago	Comment
Number of homes compliant with WHQS in respect of their external elements		2071.00	1657.00		203	This is an annual measure. However, at the end of Q3 there were 584 properties that have had external work improvements undertaken.
Number of homes compliant with WHQS in respect of their internal elements		1992.00	1594.00		1415	This is an annual measure. However, at the end of Q3 there were 1,567 properties that have had internal work improvements undertaken.
Number of homes in local authority ownership brought to WHQS as recorded on annual return to Welsh Government (The number of houses that have achieved WHQS standard in the year)		1263.00	1010.00		252	This is an annual measure, which is reported in the Autumn following the year of reporting.

WO5 - Investment in Council homes to transform lives and communities**How well did we do it?**

Title	Actual	Target	Intervention	RAG	Result 12 months ago	Comment
Charter for Trust Standards - The Charter for Trust developed in consultation with tenants and staff sets out the standards that tenants can expect when work is being undertaken in their homes, which will be assessed by specific questions on the customer satisfaction survey		90.00	85.00		83	This is an annual measure. However, at the end of Q3 the standards met figure was slightly below target at 88%.

Is anyone better off?

Title	Actual	Target	Intervention	RAG	Result 12 months ago	Comment
Number of tenants whose homes have been adapted as part of the WHQS works to meet their specific needs					105	This activity is dependent on the needs identified when delivering and progressing the WHQS programme, therefore, we are unable to set targets. Adaptations will vary between properties and could be as simple as a grab rail or involve extensive works such as a wet room or RNIB kitchen. However, during 2016/17 to date (end of Q3) there were 214 properties which had specific adaptations.
The % of tenants whose homes have been improved internally through the WHQS programme are satisfied with the completed works (The percentage of tenants who's house meets the WHQS standard that are satisfied		80.00	72.00		84	This is an annual measure. However, at the end of Q3 tenant satisfaction levels in relation to the work undertaken was at 93%.