



CAERPHILLY HOMES TASK GROUP – 15TH MAY 2018

SUBJECT: WHQS – CONTRACTOR COMMUNITY FUND

REPORT BY: CORPORATE DIRECTOR – SOCIAL SERVICES & HOUSING

1. PURPOSE OF REPORT

- 1.1 To provide an overview of the community funds created by the Council's WHQS internal works and supply partner contractors as part of their non-core contractual obligations.

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 the Welsh Housing Quality Standard by March 2020. The Council also agreed that its capital investment in homes would deliver social outcomes to 'transform lives and communities'. The deadline for delivery of the Welsh Housing Quality Standard is now December 2020.
- 2.2 In order to deliver the ambition of ensuring that the Council's investment in homes also created new opportunities to transform lives and communities, a series of core requirements (mandatory) and non-core (non mandatory) requirements were built into the WHQS internal works contracts and also the Council's Supply Partner contract with Robert Price.
- 2.3 The core requirements include a number of employment related minimum targets which must be delivered alongside the main contract requirements. The non-core requirements include a number of non mandatory requests that include the adoption of the living wage for example and the creation of a community fund.
- 2.4 The community funds created in response to the non-core obligations have been created at the discretion of the contractors and held and administered by the contractors. There is no constitutional mechanism for the Council to hold and distribute such monies.
- 2.5 It should be noted that the use of the funds has been largely determined via discussions with each contractor and the Council has no direct ability to influence their usage.

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 community benefits 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 underpin the delivery of the programme and include planning and acting for the long term, integration, involvement, collaboration and prevention.
- 3.5 The delivery of community benefits links directly with the goal identified in the Future Generations Act to create a more prosperous Wales through helping to directly create new opportunities for individuals and communities.
- 3.6 The creation of community benefits also relates directly to the ambition to create a resilient Wales. The inclusion of Community Benefits as a core requirement into the contracts has created additional employment and training opportunities for local people which creates greater financial resilience on an individual basis; helps sustain the local economy and build resilient communities. The added value delivered via the non-core commitments to work with local schools and support local communities through the use of community funds also contributes towards the creation of a more resilient Wales.
- 3.7 The delivery of community benefits is coterminous with the goal to create healthier communities through improving access to employment and opportunities to increase skills and learning which in turn contributes towards improved mental health and overall well being.
- 3.8 It will directly assist in the development of cohesive communities through supporting the delivery of community activities and facilities designed to increase the resilience, viability, connectivity and safety of communities.

4. THE REPORT

- 4.1 In February 2012 tenants voted overwhelmingly for the Council to retain its housing stock as opposed to transferring its homes to a registered social landlord. As a result the Council made an ambitious commitment to utilise its £200m capital investment not only to transform homes but also lives and communities.
- 4.2 In order to deliver against this ambition the Council included a suite of core (mandatory) and non-core (non mandatory) requirements into its internal works and supply partner contracts. Included in the non-core requirements was a request for each contractor to create a community fund to support the delivery of community projects identified by the community regeneration team through their engagement with local communities. The aim at that time was to add value to existing initiatives underway throughout the borough.
- 4.3 The projects supported must benefit the community, leave a lasting legacy and meet the aims of the Future Generations Act.
- 4.4 Due to the fact that the requirement to create a community fund was non-core, the Council is unable to specify the exact amount that its contractors should allocate. Furthermore, it should be noted that the Council has no mechanism to hold the funds created by the contractors and hence the monies are retained by the Contractors and used at their discretion. There is no specific amount that the contractors have to set aside as part of the contract.
- 4.5 In the south of the county borough, Contract Services agreed to contribute 0.25% of their annual turnover towards the creation of a community fund which in Spring 2017 amounted to £12,859. The funding was to be used to support the refurbishment of the male toilets at St Martin’s School, Caerphilly.
- 4.6 St Martin’s is one of the largest schools in Caerphilly County Borough and serves a significant number of young people from Lansbury Park, Wales’ most deprived community. Through discussions with the Head and the Family Intervention Worker it was suggested that the

attendance and attainment at school of young males had become problematic largely due to the condition and layout of the main toilets. The male toilets were in a poor condition and their layout intimidating. Some young people were refusing to use them and as a consequence would return home to use the toilets and subsequently not return to school; some would return home after swimming and not return to school due to the fact that there were no hair drying facilities and some were using the layout of the toilets to bully other young people. The school had already invested in its female toilets due to similar issues but could not afford to undertake similar improvement work to the male facilities.

- 4.7 As a result, Contract Services (who had been working in Lansbury Park at that time) in partnership with Robert Price and their suppliers agreed to undertake the work necessary. Contract Services agreed to contribute the cost of labour towards the project (amounting to the cost of their community fund allocation), Robert Price and their supplier contributed £11,000 towards the project (products) and community regeneration a further £11,000 for cubicles. Whilst Contract Services started the project during the summer 2017, they failed to finish the improvement works due to the fact that the company went into administration. As a consequence, the Council via its Housing Repair Operations team completed the outstanding work. A copy of the press release is attached as appendix A.
- 4.8 In relation to Vinci, it took until 2016 for them to agree to establish a community fund based upon 0.25% of their turnover as a result of the contract. In Autumn 2017, the amount available within the fund amounted to £11,750 and was used to finance the labour costs associated with the installation of a new kitchen in Gilfach community centre. The community of Gilfach have been recipients of WHQS works undertaken by Vinci and were in desperate need of an improved community kitchen. The amount within the community fund was donated in the form of labour and the materials utilised were provided by Robert Price's kitchen supplier, Rixonway (£3,500). By the time the project was completed the labour costs donated by Vinci exceeded the £11, 750 contained within the Fund.
- 4.9 Keepmoat (now called Engie), agreed at the start of the contract to contribute £2,500 per annum towards the creation of a community fund. However, as part of delivering against their core contract commitments to work with local schools they have opted to take part in the Careers Wales Business Class programme which aims to bring businesses and schools together in a structured way. As a result, Keepmoat have predominantly chosen to use their community fund allocation to support projects that are over and above the core business class programme. Council officers have raised concerns with regard to the use of a non-core benefit to deliver what is essentially a core requirement of the contract but requests to consider increasing the allocation and delivering the core objectives separately to the non-core have not been forthcoming. A spreadsheet containing the activities undertaken involving Blackwood Comprehensive School and its feeder primary schools is attached as appendix B. Additional projects such as the creation of a sensory garden for the residents of Brondeg Day Centre have also been delivered as a result of the community fund (press release and case studies attached as appendix C).
- 4.10 Robert Price, the Council's WHQS Supply Partner have also created a community fund. Since the start of the contract in 2013, Robert Price and their supply chain have allocated £26,310 to their Fund. The majority of the fund has been used to support the refurbishment of St Martin's School toilets (£11,000) and a new kitchen for Gilfach Community Centre (£3,500). The remaining monies have been utilised to sponsor the Caerphilly Learning Festival and the purchase of hand tools for a community toolbank in Graig Y Rhacca. There is currently circa £10,000 available within the Robert Price community fund. The Robert Price community fund is in addition to the donation of materials for community events and the sponsorship of various awards and initiatives, e.g. annual food bank.

5. WELL-BEING OF FUTURE GENERATIONS

- 5.1 The WHQS programme contributes to the Well-being Goals as set out in Links to Strategy above. It is consistent with the five ways of working as defined within the sustainable development principle in the Act as outlined in section 3.

6. EQUALITIES IMPLICATIONS

- 6.1 This is an information report; therefore there are no potential equality implications and no requirement to complete a full Equalities Impact Assessment.

7. FINANCIAL IMPLICATIONS

- 7.1 There are no direct financial implications resulting from the non-core contractual requirements to create a community fund.

8. PERSONNEL IMPLICATIONS

- 8.1 There are no direct personnel implications arising from the report.

9. CONSULTATIONS

- 9.1 Responses from consultees have been incorporated within this report.

10. RECOMMENDATIONS

- 10.1 The report is for information only. Members are asked to note the contents.

11. REASONS FOR THE RECOMMENDATIONS

- 11.1 To advise members of the current position in respect of the delivery of activities relating to the Council's Welsh Housing Quality Standard programme.

12. STATUTORY POWER

- 12.1 Housing Acts 1985, 1996, 2004,2014 and Local Government Act 2000.

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