

**CABINET MEETING: 10 MARCH 2016**

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**HOUSING REVENUE ACCOUNT (HRA) BUSINESS PLAN**

**REPORT OF DIRECTOR COMMUNITIES, HOUSING &  
CUSTOMER SERVICES**

**AGENDA ITEM: 10**

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**PORTFOLIO: HEALTH, HOUSING & WELLBEING (COUNCILLOR SUSAN  
ELSMORE)**

1. The purpose of this report is to present the Housing Revenue Account (HRA) Business Plan 2016-2017 for Cabinet approval.

**Background**

2. Authorities in Wales are required to present an “acceptable” Housing Revenue Account (HRA) Business Plan (including a 30 year financial model) to the Welsh Government each year in order that the Welsh Government can assess the progress of local authorities towards meeting and/or maintaining the Welsh Housing Quality Standard (WHQS) and be eligible for the Major Repairs Allowance (MRA) Grant (currently £9.6m).
3. The Plan must conform to a structure and include business plan parameters set out by the Welsh Government.
4. This plan also provides the link with the Corporate Plan, and the Communities, Housing and Customer Services Delivery Plan.

**Issues**

**Housing Revenue Account Business Plan**

5. The aims of the HRA Business Plan are to;
  - set out Cardiff’s purpose and vision as a social housing landlord;
  - set out it’s objectives and standards for the service;
  - plan how the service aims to achieve the objectives and standards set out (the strategies);
  - plan resource and financial requirements;

- provide a framework for monitoring and evaluating the progress of the housing 'business';
  - communicate Cardiff's plans to its tenants, members, the Welsh Government, other key stakeholders, partners and the wider community.
6. The Business Plan ensures;
- efficient use of housing assets;
  - increased transparency of the HRA;
  - precise planning of our housing management strategy;
  - that Cardiff's housing accounts are set out on a business-like basis.
7. The City of Cardiff Council was the first authority in Wales to declare achievement of the Welsh Housing Quality Standard, almost two months ahead of the Welsh Government deadline date of December 2012.
8. Following the completion of the WHQS for existing Council Housing, the Business Plan ensures the maintenance of the WHQS and sets out the Council's objective to deliver high quality and sustainable housing. A new build housing partnering scheme is being undertaken which will deliver approximately 1,500 new housing units, with a minimum of 40% being affordable housing. A number of existing land sites already in the ownership of the HRA have been identified for building new homes. However to supplement this, a number of other sites currently in the ownership of the General Fund are planned to be appropriated to the HRA to allow the Council to maximise the effective use of existing surplus land.
9. Other key objectives included in the Business Plan are:
- The **Remodelling and Restructure** of existing homes over the life of the plan. There has been a review as to the suitability of the Council's sheltered housing accommodation and one sheltered block (Minton Court) has already been modernised to keep pace with tenant needs. A second block (Sandown Court) is currently undergoing significant remodelling to make the building fit for purpose.
  - Major **Estate Regeneration** works at Trowbridge Mawr are continuing and re-cladding, courtyard improvements and landscaping works are almost complete at Hodges Square. A similar regeneration scheme started in the new year at Trenchard Drive. Other smaller scale projects are planned throughout the city and include garage sites, gullies and alley gating schemes.

- Large scale **Capital Improvement Works** e.g. 'A' rated boiler upgrade programme, over cladding works, house painting, roofing replacements, communal flooring upgrades and new front doors for low rise flats.
  - The continued delivery of **Community Benefits** in partnership with our external building contractors, delivery apprenticeships for people living in Cardiff communities and the volunteering of staff time.
  - The scrutiny of **Performance Indicators** and **Tenant Satisfaction Surveys** against targets to measure Housing Management Services.
  - Focus on improving **Tenant Participation and Consultation** including examples of community projects and information on grants available and advice on how to make a difference in a community.
  - The current and future investment in **Neighbourhood Regeneration** and **Area Improvement Strategies**.
  - Spotlight on the financial commitments and resource implications via the 5 Year **Capital & Revenue Budgets**.
10. **Community Hubs** are designed to bring together services, share resources and invest in better quality facilities, in a way which is responsive to the needs and priorities of individual neighbourhoods, during 2015/16 we delivered:
- The Advice Hub relocation from Marland House to **the Central Library Hub** in July 2015, through collocating these services we were able to make this iconic building more sustainable, increase footfall and extend the opening hours.
  - **Rumney Partnership Hub**, a joint venture with Communities first opened in November 2015 incorporating library provision and advice services.
  - **Grangetown Hub** opened January 2016

Building on this success, during 2016 we will further rollout the Hub Programme through the development of:

- A new **Fairwater Hub** by June 2016;
  - A new **Splott/STAR Hub** by October 2016; an exciting venture with onsite leisure facilities
  - **Llanedeyrn Hub** by December 2016;
  - **Llandaff North/Gabalfa Hub** by January 2017; and
  - Agree plans for **Llanishen** and **St Mellons Phase 2 Hubs** by July 2016.
11. Under the Welsh Government's rent policy an annual target rent band will be set for each social landlord. The responsibility for setting the rents for individual dwellings still rests with the Council.

12. Within this new policy, the Welsh Government has also set a minimum rent increase of 1.4% for 2016/17 but has allowed Councils the flexibility to raise further rental income to invest in upgrading the existing housing stock and its environment or in building new properties. This increase has been factored into the Business Plan financial projections.
13. The impact of Welfare Reform has been taken into account in developing the business plan. Financial modelling of various scenarios has been carried out to identify potential increases to rent arrears as a result of the changes. In addition, the modelling considered the potential additional costs of collection and arrears recovery. The service has put in place various measures to minimise this impact: tenants have been provided with detailed information about the changes that may affect them and their options have been set out including home swapping and property transfers for those tenants who need to downsize. Assistance has been made available to tenants who transfer to Universal Credit and there has been an increase in staffing to assist and advise tenants with debt management and budgeting, minimising impact of the change as far as possible.

### **Scrutiny**

14. The draft HRA Business Plan was presented at Communities and Adult Services Scrutiny Committee on 6<sup>th</sup> January 2016. The letter from the Scrutiny Chair following this meeting and response are attached at appendix 2.

### **Reason for Recommendations**

15. To comply with the requirement to forward the HRA Business Plan to the Welsh Government.

### **Legal Implications**

16. There are no direct legal implications but the requirement for a plan is set out in the body of the report. The approval of the business plan is an executive function which does not have to be referred to Council.

### **Financial Implications**

17. The Housing Revenue Account Business Plan must be supported by a 30 year financial model. This financial model assesses the viability of the HRA over a 30 year time period. The model is also used to estimate the planned investment and the related capital and revenue implications over the period.
18. The financial model must by definition include many assumptions, particularly in respect of expenditure levels, capital financing, projected income levels and inflation rates. Obviously, this is further complicated by the uncertainty of the economic climate, the potential impact of Welfare Reform, the housing environment generally and the long term



nature of the forecasts within the Business Plan. As a result, all of these assumptions are extremely sensitive to change.

19. A number of crucial assumptions are built into the model, as follows:
  - Rents will increase within a range of 2.2% to 3.86%. With respect to service charges those charges which are normally increased in line with inflation have been frozen and a small number of charges have been increased for full cost recovery. There are some standstill charges where cost recovery is being achieved and some charges are decreased in line with reduced costs. Void rent loss is currently 2.02% and bad debts are currently 1.51% and are assumed to remain at this level over the 30 year period. This forecast takes into account the potential impact of Welfare Reform on rent arrears and void properties, particularly as a result of the reductions in Housing Benefit due to property rent/size restrictions. Any increase above this level is likely to impact on available revenue resources and may necessitate further offsetting operational savings.
  - Consumer and retail price indexes are estimated to be within a range of -0.1% and 3% throughout the model.
20. In line with the current financial year, the projected receipts from future council house sales are kept at a very low level and no new receipts are assumed from 2017/18 onwards.
21. The assumption in the model is that the Welsh Government Major Repairs Allowance remains at its current level of £9.6m p.a. over the course of the plan. Any allowance less than this will have an impact on the sustainability of the plan and the ability to maintain investment already incurred in the housing stock. The final allocation of Major Repairs Allowance to Cardiff in 2016/17 will not be known until after approval of the business plan.
22. Consideration will be given to bringing budgets forward for direct land purchase to prepare for further phases of dwellings construction as well as appropriation of other suitable Council owned sites where opportunities arise and affordability allows.
23. Any financial deficit and liabilities of the HRA are ultimately liabilities of the Council. As part of the agreement to exit from the subsidy system, the Council must adhere to a debt cap of £316 million. The Business Plan details the capital and revenue funding implications of the proposed Capital Programme. The Programme assumes additional borrowing to be undertaken in order to build new housing and support investment in the existing stock. This will result in additional revenue implications in terms of interest payments and provision of repayment for borrowing. Accordingly any new expenditure to be paid for by borrowing should be prioritised to ensure that improvements are either essential or have an element of pay back, to ensure that there are no long term issues of affordability and sustainability in respect of borrowing. The position will

be reviewed and may result in a requirement for offsetting revenue savings in future years which will be identified and reported through the financial monitoring process. Any plans for additional borrowing should also consider the impact of future regulation changes on income levels.

## **RECOMMENDATIONS**

Cabinet is recommended to:

- (1) approve the HRA Business Plan 2016-2017.
- (2) note that the Plan will be submitted to the Welsh Government.

### **SARAH McGill**

Director

4 March 2016

*The following Appendices are attached:-*

Appendix 1 - HRA Business Plan 2016-2017

Appendix 2 - Scrutiny Letter and Cabinet Member response from Community & Adult Services Scrutiny Committee dated 6<sup>th</sup> January 2016.

*The following Background Papers have been taken into account:-*

- *Communities, Housing and Customer Services Directorate Delivery Plan 2015-2016*
- *Cardiff Corporate Plan 2015-2017*
- *30 Year Business Plan for Welsh Housing Revenue Accounts - Financial Model*



# Housing Revenue Account (HRA) Business Plan 2016-17



DEY GWIR IN THESE STONES  
FELGWYDR HORIZON  
OF WRNAI'S AWEN

  
Llywodraeth Cymru  
Welsh Government

**Communities, Housing  
& Customer Services**

  
CARDIFF  
CAERDYDD



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# Foreword

Housing is at the heart of a communities well-being, and so the City of Cardiff Council is committed to delivering high quality, sustainable and affordable homes, particularly for those in most need.

## *People in Cardiff have access to good quality housing*

As your Lead Member for Health, Housing and Wellbeing I have given a commitment to deliver on the above objective and am delighted to report that we have reached a significant milestone and have appointed a developer to help deliver our ambitious plan of building 1,500 new homes in the city, of which approximately 600 will be affordable. We also plan to bring forward further development plans.

We also plan to invest in our existing homes, maintaining and building on the Welsh Housing Quality Standard.

**Councillor Susan Elsmore**  
Cabinet Member for Health, Housing and Wellbeing

Supporting people in vulnerable situations is one of the Council's key priorities. My priority as Director of Communities, Housing & Customer Services is to ensure we prioritise services for those most in need.

We have recognised that with an increased pressure on financial resources we need to focus our assistance on our most vulnerable citizens and we work closely with colleagues in Social Services to achieve this.

## *Supporting people in vulnerable situations*

I am especially pleased with how our Advice Team has assisted those affected by the impact of Welfare Reform. The expansion of our community "HUBs" programme has helped more and more resident's access facilities, advice and services and the new allocations policy is helping house people with the greatest need, rather than those who have been on the waiting list longest.

We will continue to work with people and partners to design, deliver and improve services.

**Sarah McGill**  
Director of Communities, Housing & Customer Services

# Housing & Communities

## Notice Board



### Applying for housing

The Cardiff Housing website

[www.cardiffhousing.co.uk](http://www.cardiffhousing.co.uk) has been developed to help you look at all the options available to you.

Telephone: 029 2053 7111

Choose Option 1



### Tenant Participation Team

You can contact the team through our website [www.cardifftenants.co.uk](http://www.cardifftenants.co.uk) or ring us on 029 2053 7511. You'll find lots of information about events happening in your area as well as surveys and opinion polls.

As at August 2015 the **Council housing stock** consisted of 13,586 properties.



#### Advice Hub—Central Library

Tel: 029 2087 1000

#### The Hub at Butetown

Tel: 029 2053 7060

#### The Hub at St Mellons

Tel: 029 2078 0992

#### The Hub at Llanrumney

Tel: 029 2078 0994

#### Rumney Partnership Hub

Tel: 029 2233 0661

#### Ely and Caerau Community Hub

Tel: 029 2087 3800

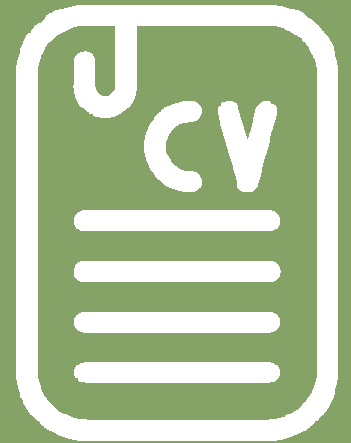
#### Grangetown Hub

Tel: 029 2078 0966

The **Caretaking Services Team** maintains the cleanliness of over 800 Council blocks. They removed over 1000 pieces of graffiti in 2015.



**Into Work Advice Services** have given work related advice to over 20,000 people.



The **Supporting People Team** co-ordinates housing-related support services totalling approximately £16m each year for residents in need.



## Community Maintenance

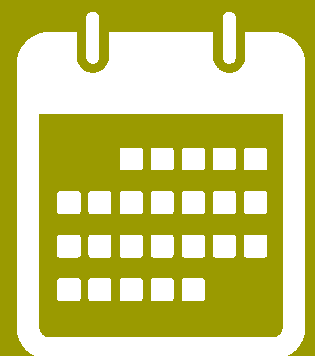
**Services** received over 80,000 repairs requests through the Repairs Reporting Hotline: 029 2087 2087.



The **Allocations Team** manages the common waiting list of over 10,000 households for both the Council and its partner Housing Associations.

## Tenancy Management

**officers** made almost 4000 visits to assist tenants in 2014/15.



# The Welsh Housing Quality Standard & Beyond

## Introduction to the Welsh Housing Quality Standard (WHQS)

The WHQS arose from the National Housing Strategy for Wales 'Better Homes for People in Wales'.

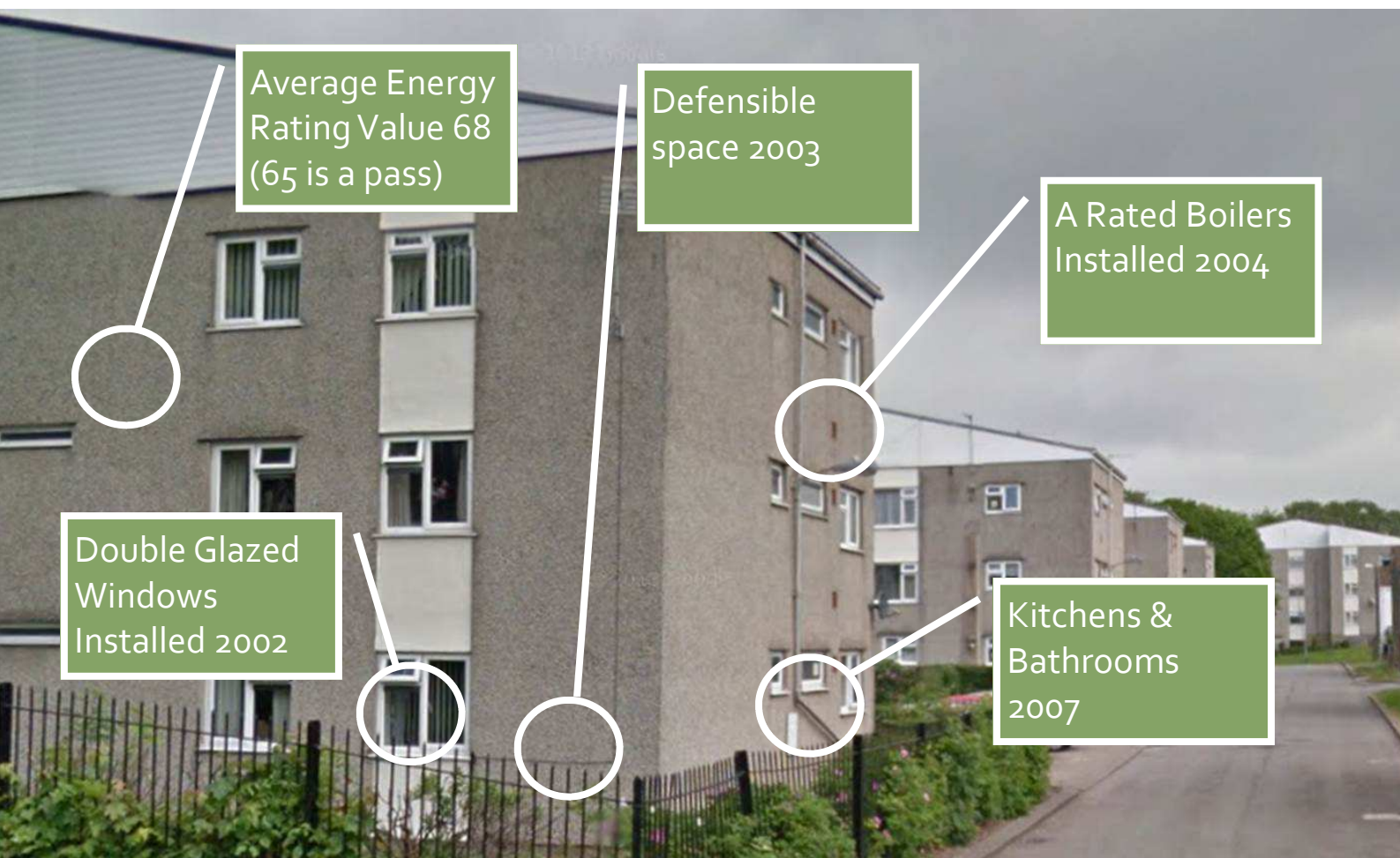
The Standard was developed by the Welsh Government to provide a common target standard for the condition of all housing in Wales.

The Welsh Housing Quality Standard states that all households should have the opportunity to live in good quality homes that are:

- 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.
- Located in attractive and safe environments.
- As far as possible suit the specific requirements of the household, (e.g. specific disabilities).

In September 2012 we were the first Council in Wales to achieve full 100% WHQS accreditation.

## Evolution of a housing block: Coed Y Gores



Average Energy Rating Value 68 (65 is a pass)

Defensible space 2003

A Rated Boilers Installed 2004

Double Glazed Windows Installed 2002

Kitchens & Bathrooms 2007



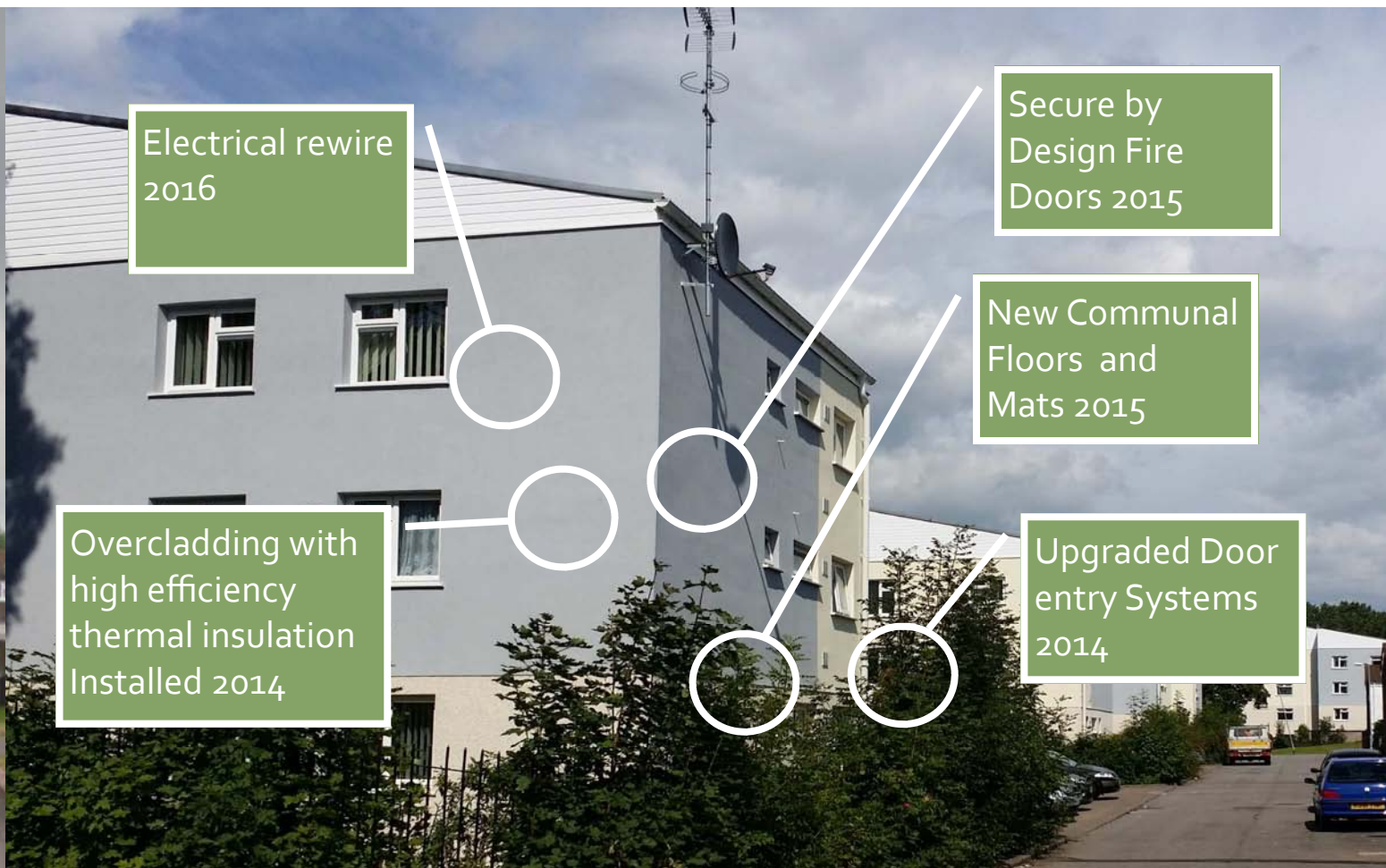
The Welsh Government has recognised that the standard cannot always be reached because of issues outside of the control of the Council. It has therefore introduced the concept of “Acceptable Fails” into the Welsh Housing Quality Standard revised guidance in order to recognise legitimate areas which would restrict a Council from reaching the required standard. There are four elements:

- Cost of remedy
- Timing of remedy
- Resident’s choice
- Physical constraint

We have a number of acceptable fails, (largely due to Resident’s Choice) and have implemented measures in order to re-visit and maximise achievement of the Standard.

Where tenants have refused works e.g. kitchen and bathroom replacement we have asked tenants to sign waiver forms.

We review the standard when properties become vacant and are working closely with the Tenants Participation Team to enable tenants that have not received WHQS works or have changed their minds to contact us.



Electrical rewire  
2016





























































Secure by  
Design Fire  
Doors 2015

New Communal  
Floors and  
Mats 2015

Overcladding with  
high efficiency  
thermal insulation  
Installed 2014

Upgraded Door  
entry Systems  
2014

# Welsh Housing Quality Standard Attainment Tracker

WHQS Standard achieved	2008	2009	2010	2011	Sep-2012	Dec-2012	2013	2014	2015
Roofs									
Windows	97%	99%	99%	100%					
External Doors	93%	98%	100%						
Door Entry Systems	99%	100%							
Kitchens	23%	26%	43%	71%	100%				
Bathrooms	24%	28%	44%	72%	100%				
Energy Efficiency Pass	0%	0%	48%	52%	100%				
Central Heating	100%								
Electrical Systems	0%	0%	50%	73%	100%				
Smoke Detectors	99%	99%	98%	100%					
Environmental Works	51%	52%	67%	79%	100%				

THESE:  
HORI  
AWEN





# Performance Indicators

The performance of the Housing Management Service is monitored through a range of performance indicators. Results for September 2015 (Quarter 2) in a range of key areas are shown below:

Indicator	Result	Target
Percentage of new Housing Benefit claims processed within 14 days of all information received.	97%	95%
Percentage of general clean & clears completed within 10 working days.	99%	95%
The percentage of emergency repairs completed within target time (24 hrs).	98%	90%
Vacant Council stock as a percentage of overall stock.	1.5%	1.5%



# Typology of the Housing Stock

Building Type	Pre- 1919 (200)	1920-1945 (2,990)
Detached House (20)		
Semi-Detached House (3,364)		
Terraced (4,522)		
Flats & Maisonettes (5,680)		



**1946-1964  
(5,005)**

**1965-1989  
(5,264)**

**1990-Date  
(127)**





# Community Matters

Brentwood Court, sheltered housing, retirement housing.

We approached one of our repairs contractors Ian Williams Ltd to undertake some TLC to the garden area of the facility. Many of the residents wanted to tidy up the garden and external communal areas but found them difficult to maintain.

Ian Williams Ltd made a number of visits to scope the works and agree what could be completed for free during a one day gardening marathon. Scheme manager Chantelle Annan arranged access with keen gardening enthusiast Paddy to complete the works.

The project saw three operatives and two senior Managers give up their Saturday to complete the project.



**Disabled Facilities:**  
Customer wrote to thank Council staff for the work carried out at his mother's home "With your help we secured a grant to transform her bathroom to suit her needs so that she is now able to carry out every day tasks and keep her independence and dignity."

**Antisocial Behaviour Team:** "I would like to give a massive thanks to Rhiann! Now I can start to enjoy the home I have and start making full use of it in harmony. A huge thanks for helping me take this to court and getting the justice needed."

**Caretaking Services:** A tenant's Social Worker called to say that, "the operatives who carried out the clean and clear at his client's home did a wonderful job." He said that, "they went above and beyond, worked really quickly and did a brilliant job."

**Tenancy Management:**  
The customer wrote to thank Tenancy Officer, Andrew, for all of his help and to say that she is very pleased with the work that has been done.

**Community Maintenance Services:** Paul, who attended and decorated the living room. Tenant advised that, "Paul did an excellent job and went the extra mile by putting the curtains up!"

## Complaints and Compliments

Customer feedback is important to us, it helps provide valuable information about how we are performing and what our customers, Cardiff citizens and communities think about our services. We use this information to improve our services, strengthen our relationships with other customers and make better use of our resources.

We are pleased to report that our complaints and compliment figures are showing a healthy improvement. We deliver a number of different services and during the period of April 2014 to the end of March this year, the Housing and Communities section received a total of 503 complaints, which is a decrease of 23% on the previous year. Housing and Communities also received 220 compliments for staff and services provided.

All the feedback received does make the difference in helping us improve our services. In addition to doing everything possible to resolve individual complaints, officers will always look at any changes that can be made following a complaint, for example to our literature or procedures. Any lessons that can be learned from a complaint are used to deliver service improvements.

Housing Resettlement Officer, Jess Jallow, has won the Housing Hero category of 2015's Welsh Housing Awards. The award recognises an individual or small team whose passion, enthusiasm and commitment has made a dramatic difference to the lives of others. Jess's role within the Independent Living Support Service involves improving patient flow and reducing patients' time in hospital by resolving housing issues.



# Central Library Hub

The Advice Hub relocated from Marland House to the Central Library Hub in July 2015, bringing together more services under one roof.

Council services such as Housing and Benefits advice, the Money Advice Team, the Job Club, and the Tenant Resource Centre all moved to the new location.

Partner organisations such as Citizens Advice, Cardiff & Vale Credit Union, Nest, Age Connects, Shelter Cymru and SOVA also relocated to the new Hub. Major improvement works were carried out at Central Library in preparation for the move. New facilities were created including a new teenage library on the ground floor, new performance areas and a new digital floor.

The Central Library Hub is open six days a week, more than the previous Advice Hub and Central Library making it more convenient than ever for our customers.







## Council Services Enquiries

The team see approximately 250 customers a day at the Central Library Hub. Customer's queries range from Housing Benefit, Council Tax Reduction, Housing queries, Schools Admissions and Bus passes.

Using queuing technology and having staff that can answer all types of queries keeps waiting times to a minimum, over 80% of customers are seen within 10 minutes.

As Cardiff is such a diverse city, staff need to reflect this, between them our staff can speak 26 different languages!

The following services are available in the Hub:

- |  |  |  |
|--|--|--|
| <ul style="list-style-type: none"><li>• Money Advice Team</li><li>• Cardiff Advice Service</li><li>• Credit Union</li><li>• Housing Advice</li><li>• Housing Benefit Applications and Enquiries</li><li>• Free School Meals Applications</li></ul> | <ul style="list-style-type: none"><li>• Job Club</li><li>• Work Skills Training</li><li>• Cardiff Get Online</li><li>• Tenant Resource Centre</li><li>• Adult Community Learning</li><li>• Council Tax Enquiries</li><li>• School Admissions</li></ul> | <ul style="list-style-type: none"><li>• Free Public Access Telephones</li><li>• Free Wi-fi</li><li>• Free Bus Pass Applications</li><li>• General Council Enquiries</li><li>• Free Internet Access</li></ul> |
|--|--|--|

## Money Advice Team

The Money Advice Team can help people with budgeting, ensuring that they are receiving all the grants and discounts they are entitled to, help opening a basic bank account and to apply for advance payments of Universal Credit. They can also help request an alternative payments arrangement. The team can also assist if a claimant's Universal Credit has been sanctioned.

Generally, Universal Credit needs to be claimed on line. The Into Work Advice Team can help and support clients to do this

The Money Advice Team see over 600 customers a month in the year 2014/2015 the team helped clients to claim £5.1 million in previously unclaimed benefits and £292,372 in one off payments were also claimed.

## Into Work Advice Service

The Into Work Advice team are made up of senior advisors, into work advisors, digital inclusion officers and trainers. The Into Work Team can help anyone living in Cardiff who are unemployed or looking to upskill from their current job.

As well as a service all day Monday – Friday in Central Library hub, Ely / Caerau Hub and St Mellons Enterprise Centre jobs clubs are held at 14 locations across the city on a timetable basis. The number of locations will continue to increase as more Hubs open in the next few years.

The Job Club is a drop in service where the expert into work advisors are on hand to help with CV's, job applications, job searching, Universal Job Match, helping to claim Universal Credit also helping to write cover letters. On average the job clubs see over 4,000 clients a month in total.



**GET  
ONLINE**

Basic Computer skills  
Using the Internet  
Setting up Email  
Online forms  
Online shopping

Sgiliau cyfrifiaduron sylfaenol  
Defnyddio'r rhyngwyd  
Creu cyfrif e-bost  
Ffurflenni ar-lein  
Siopa ar-lein

**MYND  
AR-LEIN**







## Community Hubs

Footfall continues to grow in all Hubs, alongside Library provision and advice services; community events are arranged including visits from book authors, Children's CSI fun day and Animal Magic where customers get the chance to meet exotic animals including snakes, skunks and spiders!

Llanrumney Hub has been refurbished to give a refreshing new look to the children's area. St Mellons Hub has works planned including the construction of 3 training rooms, a much welcomed facility within the Hub services.

Since opening in June 2014 Ely Caerau Hub has had 190,000 visitors and continues to be a showcase within the community; with the café creating a welcoming environment for all.

Hub events and drop in services from partner organisations are publicised via Facebook along with photos from recent events, enabling customers to be kept informed of what's happening in their local hub.



# Hub Development Programme

In 2014 / 2015 44,000 customers received advice on Housing Benefit, Council Tax or Housing related enquiries through the Hubs.

Rumney Partnership Hub, a joint venture with Communities first opened in November 2015 incorporating library provision and advice services.

Grangetown Hub development is well under way and construction work has started on the STAR Hub project; an exciting venture with on site leisure facilities and is due to complete summer 2016.

Fairwater Hub will open in 2016 with Llandaff North Hub and the Powerhouse extension in Llanedeyrn scheduled to commence April 2016 so incorporating a wider range of community services and activities.

The hub development plan continues to unite services under one roof allowing ease of accessibility and community engagement for all to enjoy.







## A Tenants Story—My Home

Mr H lives in a block of flats in South Cardiff. He was homeless for 15 years and with support from the Salvation Army was placed into council accommodation.

*the flat is my home not just somewhere that I live*

It was a struggle to adjust to living independently but focusing on his home and working on the communal gardens Mr H turned his life around.

Mr H has furnished the flat to a high standard, *“Now the flat is my home not just somewhere that I live.”*

Due to Anti Social Behaviour complaints from the tenants we closed off an alleyway that was noisy and dropped rubbish was attracting vermin. *“its now nice and quiet around here, and we no longer get attacked by the seagulls!”*

Since work was completed to improve the courtyard the residents take great pride in their gardens, *“It’s cleaner and tidier now. Gardening keeps me on a even keel, it gives me something to focus on, I have good neighbours that help me keep on track.”*



# Effective Consultation and Communication

## Tenant Participation

2015 has been a busy, productive and successful year for Tenant Participation. The team now has five members of staff dedicated to engaging with the tenants and leaseholders of Cardiff Council, and the wider community, on all the issues affecting them.

## Bus Tour

Tenant Participation organised the annual Tenants' Bus Tour where tenants were taken around the city to be shown examples of capital investment projects across Cardiff.

## Digital Inclusion

Officers from the Tenant Participation Team have been attending sheltered housing complexes across Cardiff in order to teach residents about getting online and how they can use the internet.





## Tenants Conference

The Tenant Participation Team organised a very successful Tenants Conference in November 2015 which will become an annual fixture. The theme of this year's conference was Growing Together, and focused on working with tenants and leaseholders to find ways to improve communities across Cardiff.

Attendees were given 3 voting balls to vote for their priorities:

1. Tackling ASB: 58 votes
2. Building new homes: 55 votes
3. More informal events to get involved: 54 votes
4. Improvements to your neighbourhood: 42 votes
5. Training for new tenants: 27 votes

## Tenants' Voice

The Tenant Participation Team have organised a series of Tenants' Voice meetings, which allow tenants and leaseholders the opportunity to meet with senior officers and managers from the Housing Service. Tenants are kept up to date with the work being carried out by the Housing Service, and also ask questions and put forward their own concerns. At the latest meeting, a brief presentation was given on the major housing improvements planned in the city over this next financial year.



# Tenant Participation - Helping Tenants Take Control

## Estate Action Days

The Tenant Participation Team have organised several Community Action Days in 2015, and more are planned for 2016. With lots of fun events for families and children, an opportunity to speak with Council officers and external partner organisations, these events have been a big success.

A Community Action Day was held at Butetown Community Centre in August. It was an opportunity for residents to address any issues with Council officers, including representatives from Tenancy Management, CMS (repairs), the Anti-Social Behaviour team and finance teams. Visitors also received advice and help regarding budgeting and welfare reform.

In addition to Council staff, members of Credit Union and Love Food Hate Waste were present, and the South Wales Fire Service brought along a fire engine to publicise their fire prevention guidance.

Tenants who attended were treated to free food, courtesy of the Community Centre, entertainment from No Fit State Circus, a gardening demonstration and make their own pedal-powered smoothies on the smoothie bike. There was excellent feedback during and after the event, with many tenants commenting that they enjoyed meeting other residents and appreciated being able to speak with Council officers in an informal setting.







## **Growing Together and Blooming Marvellous**

The Tenant Participation Team has started a city-wide gardening project called Growing Together. Tenants and residents are encouraged to start community gardens and are given expert advice and access to tools and equipment.

As part of the Growing Together theme Tenant Participation also launched Blooming Marvellous, a new gardening competition open to all tenants and leaseholders of Cardiff Council. This competition has proved very popular, and the team are looking forward to even more people entering in 2016.



## **Special Project Grants**

The Tenant Participation Team are now able to offer grants of up to £1,000 for community projects involving Cardiff Council tenants and leaseholders. The process has been designed to be as easy as possible for applicants and Tenant Participation Officers are always available to help with the process.



# Printed and Other Media

We aim to keep our customers informed of all issues and campaigns that may affect them by utilising different methods of communication in the most effective way possible.

Tenants' Times is produced and delivered to all Council tenants on a quarterly basis. It is used to provide tenants with information about communities services, campaigns and initiatives. Tenants' Times is also the main way that we inform our tenants about major works and general improvements to housing stock. The reading group for Tenants' Times consists of tenants and representatives from the Council.

The public have access to a range of information on the services provided via the Internet.

The Cardiff Tenants website, ([www.cardifftenants.co.uk](http://www.cardifftenants.co.uk)) is continually evolving and developing to reflect information that is up-to-date and relevant, it is aimed at all communities within Cardiff, with residents and visitors providing up-to-date information on recent initiatives and the work of the teams.



City of Cardiff Council • Communities

## Tenants' Times

Issue 40





# Developing the Workforce

Following feedback from tenants, Community Maintenance Services, (CMS) has increased its workforce, expanding work day hours improving the service to residents.

To develop talent CMS have recruited six apprentices this year and will be taking on another one next year. Each of the core trades were represented with two apprenticeships in carpentry, two in plumbing, and a further two working with gas and electricity.

While the apprentices spend the majority of their time on site being mentored by experienced tradespeople, they also undertake a proportion of their training at college.

All six successfully passed their exams recently, and continue to progress with their academic studies and personal development.

The Tenants Satisfaction Survey 2015 shows that 84% of tenants were satisfied with how repairs and maintenance was dealt with.

Customers are overall satisfied with the work being carried out with 88% happy with the quality of work and 94% satisfied with the attitude of workers.



# Safe and secure

The defensible space programme has been very beneficial to many residents of Cardiff.

In March 2015, the Council were asked to look at solutions for Jubilee Cottages, as there were concerns regarding the safety and well being of the 25 elderly residents.

In investigating the issues we were informed that drug dealing and other anti-social activities were happening within the confines of the complex and in and around the open space surrounding the properties. It caused great concern and stress to residents.

Improvement works through the defensible space programme was approved and CMS Planned Maintenance started works installing the new railings in July 2015.

This work has helped to remove these issues and the following comments from the residents were received:

*"They are keeping the area clean and tidy as they work."*

*"It has made such a difference to me."*

*"I slept all night last night, that's the first time since I've lived here."*

*"I finally feel someone from the Council has listened to me – you have restored my faith in the Council."*

*"Lovely boys, when they get up to my end, I'll make them a cup of tea."*

*"The railings are really smart and they look brilliant – very posh!"*







## Managing Anti-Social Behaviour (ASB)

Indicator	Result	Target
Percentage of urgent cases contacted within 24 hours.	90%	85%
Percentage of new non-urgent cases contacted in less than 5 working days.	96%	85%

Anti-social behaviour (ASB) was identified as a priority for our tenants in this year's Tenant Satisfaction Survey and it's a priority for us too!

As a landlord we will take firm action to eliminate ASB. Our response will be:

- To provide support to victims.
- To offer and provide support to vulnerable victims and perpetrators.
- To be proportionate.
- To work with perpetrators to help them change their behaviour.
- To act against perpetrators who continue to be anti-social.
- To work with the police to share and gather evidence.
- To take legal advice about the most appropriate action to solve the problem.

To date in 2015/16:

- 23 injunctions for abusive behaviour, domestic violence and threats to life.
- 3 individuals either committed to prison or given a suspended sentence for breach of their injunctions.
- 8 tenants evicted.

# The ARC

The Alarm Receiving Centre (ARC) is a newly-built CCTV monitoring centre with remote management of door entry and alarm monitoring systems for the safety, wellbeing and security of tenants and visitors to Cardiff Council's high-rise accommodation across the city. Based in the Council's Willcox House, Cardiff Bay, CCTV operators monitor buildings to help prevent anti-social behaviour (ASB) and incidents which we know affects the quality of tenants lives.

The existing concierge at Loudoun House, Nelson House and Litchfield Court will be replaced by a mobile warden to provide a concierge service for all nine high rise accommodation blocks, and work closely with the ARC.

Wardens will challenge ASB and be on the look-out for signs of vulnerable adults and children, domestic abuse and hate crime. Trained staff will report incidents to the ARC and where appropriate, the authorities.

State-of-the-art equipment has been fitted to the blocks, improving the security and safety of all who visit them, including carers and staff. This helps prevent unwanted callers from getting beyond the reception areas to people's homes.







CCTV Operatives in the ARC recently witnessed an incident which resulted in police arrests and the recovery of a large amount of stolen goods.

During the night shift, CCTV Operatives noticed 3 males acting suspiciously around vehicles parked outside one of the high rise housing blocks. The group moved to surround one of the vehicles which was when our Operatives decided to call the police. Within minutes the police arrived and caught all three stealing from the vehicle.

The ARC was able to provide comprehensive CCTV footage to the police as evidence. It turned out that these individuals were responsible for other local robberies and had additional stolen goods inside their vehicle. The speedy professional actions of our Operators enabled the police to solve this case.

The ARC has the capability to do so much more and we are currently discussing how we might work with schools, libraries and a range of community buildings on how we might help to improve security.

# Equalities

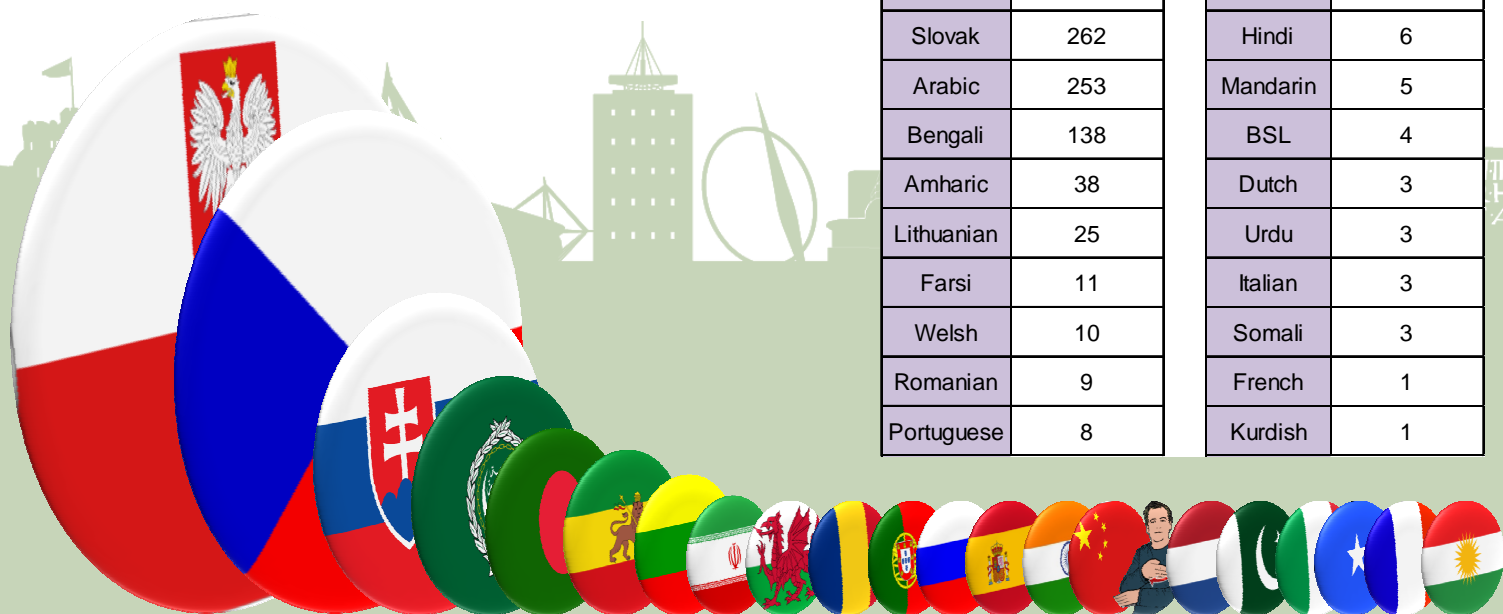
We continue to embrace diversity and embed equality into working practices. The revised Strategic Equality Plan 2016 – 2020 has identified 10 new equality objectives that will enable the mainstreaming of equality into all Council functions.

- Meet our Specific Equality Duties and build equality into everything we do.
- Support wider access to Council information and environments, and participation in Council services.
- Support wider citizen consultation and engagement with the Council and the decisions it makes.
- Support people to challenge unfair treatment.
- Provide support to those who may experience barriers to achieving their full potential.
- Improve educational outcomes for all Cardiff learners.
- Reduce the number of people not in employment, education or training.
- Address identified pay gaps around the Protected Characteristics in our workforce.
- Take action to build strong and cohesive communities where people can feel safe.
- Celebrate and promote Cardiff's heritage and diverse cultures.

Communities will continue to support the Council's Strategic Equality Plan by developing effective and realistic actions that will contribute to the mainstreaming of equality across Council services.

## Advice Hub Translations Jan - Sept 2015

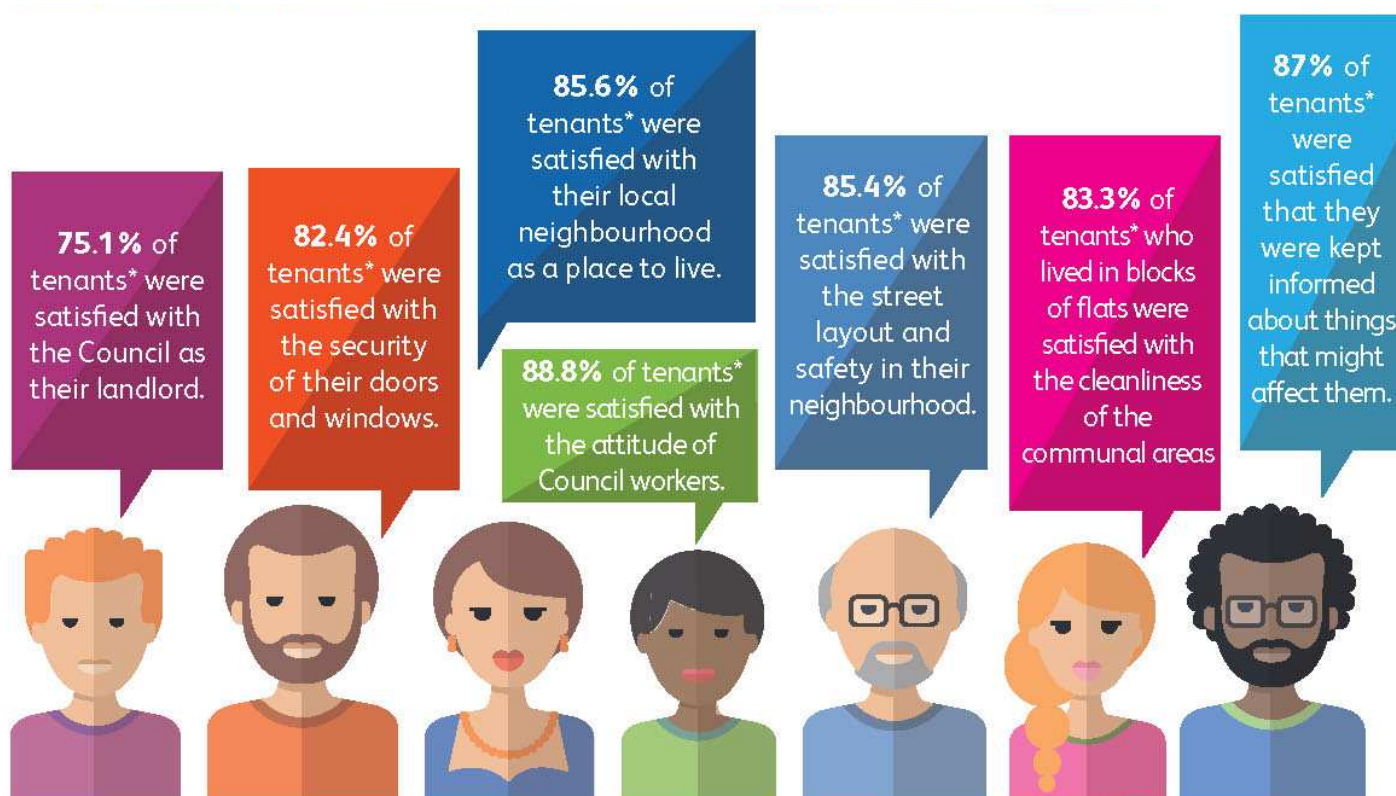
Language	Number of Translations	Language	Number of Translations
Polish	833	Russian	7
Czech	736	Spanish	6
Slovak	262	Hindi	6
Arabic	253	Mandarin	5
Bengali	138	BSL	4
Amharic	38	Dutch	3
Lithuanian	25	Urdu	3
Farsi	11	Italian	3
Welsh	10	Somali	3
Romanian	9	French	1
Portuguese	8	Kurdish	1



2,365 (4.84%) of our customers required translation services with staff translating 2,136, (90%) in house.



# Summary of the Tenant Satisfaction Survey



Many of your comments were positive.

*'Happy with service'*

*'Helpful staff'*

*'Happy with survey to voice concerns'*

However there were also some negative comments and we have taken these onboard.

22.5% of tenants\* were dissatisfied with how the Council deals with complaints.

22.3% of tenants\* were dissatisfied with how the Council deals with anti-social behaviour and 11.4% of tenants\* who contacted the Council about this matter spoke to 3 or more people before the issue was dealt with.

## What we have already done

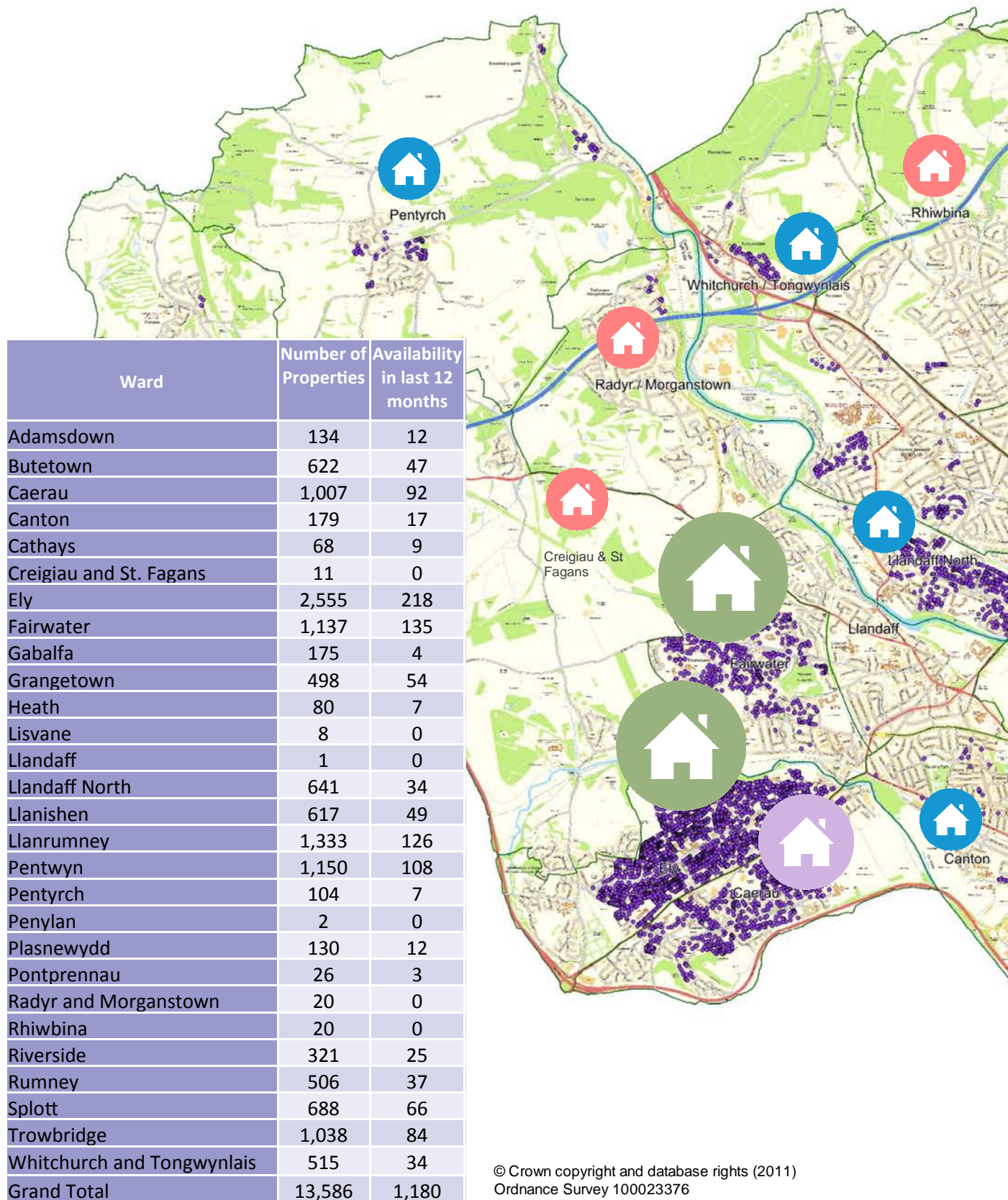
Two specialised Housing Complaint Officers were appointed in January and they have already made a significant impact on how quickly we can reply to complaints and the quality of our responses. Initially dealing with complaints regarding housing waiting list, they have recently started dealing with complaints regarding anti-social behaviour.

## What we will do now

- Work to improve customer satisfaction.
- Contact tenants who have not had their kitchen or bathroom upgraded
- Work with local residents to help improve neighbourhoods.
- Carry out a full customer satisfaction exercise about anti-social behaviour and develop an action plan.

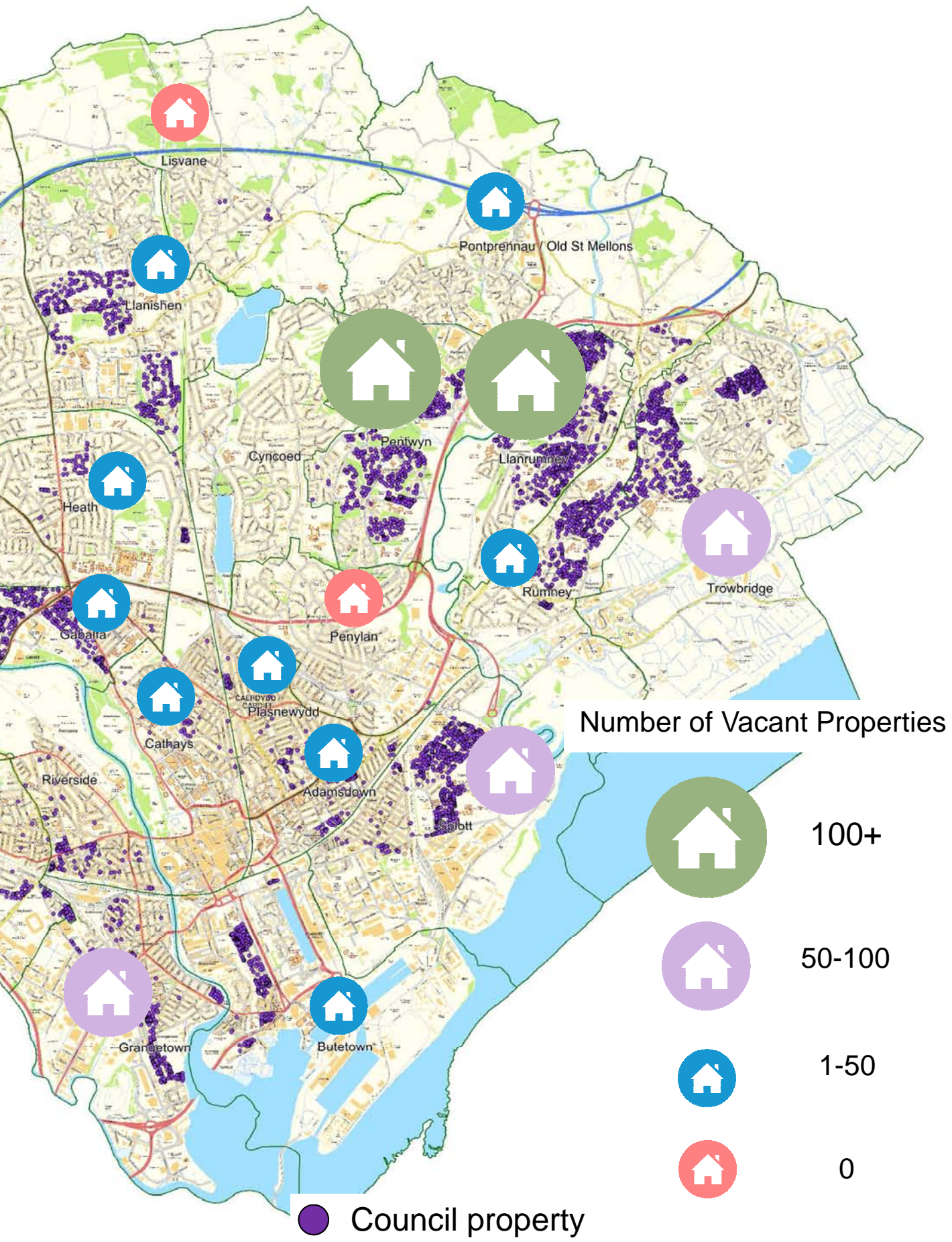
For the full results, visit [www.cardifftenants.co.uk](http://www.cardifftenants.co.uk) and click on Annual Tenants Satisfaction Survey 2015 or contact the Tenant Participation Team.

# Number of Properties and Availability During April 2014 - March 2015



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Ordnance Survey 100023376







# Neighbourhood Regeneration

A range of regeneration projects are being delivered to improve local neighbourhoods across the city.

## Loudoun and Nelson House

The environment around Loudoun and Nelson House in Butetown is being transformed under a regeneration scheme which has been designed in consultation with tenants and residents. Improvements starts late 2015.

The scheme will:

- Install new wind breaks with creative artwork displays at the front of Loudoun House.
- Install benches & handrails.
- Provide new paving and trees.
- Provide an area for informal children's play to the rear of the blocks.
- Install a community planting area.
- Provide sheltered seating areas adjacent to Nelson House.
- Provide disabled car parking spaces and a loading area at the rear.
- Create a scooter storage area in the ground floor of the block.







## Trenchard Drive

Trenchard Drive in Llanishen has been prioritised for an estate improvement scheme. Initial consultation took place with local residents in 2014 to gather views on issues which needed addressing.

Priority issues included:

- Parking congestion near the entrance of Trenchard Drive.
- Concerns around courtyard security.
- Unsuitable bin stores.
- The condition of pavements, roads, street lighting and open spaces.

A project to tackle these issues is now being designed and will start on site in January 2016. It will:

- Improve courtyards with the construction of new bin stores and drying facilities.
- Install new boundaries around the flats and Council owned houses.
- Provide better parking for residents through adapting and landscaping parking areas.
- Improve pedestrian safety with new paths along the main spine road through the estate.
- Introduce traffic calming measures to reduce vehicle speeds.



## Skaithmuir Road

A project to improve Skaithmuir Road and Arbroath Court in Tremorfa has recently been completed.

The project seeks to tackle long-standing issues of poor environmental quality, anti-social behaviour and the run-down condition of courtyards and drying facilities.

The project involves:

- Courtyard improvements to the flats.
- Providing new communal bin stores.
- Realigning parking bays.
- Carrying out boundary improvements to properties with new walls and railings.
- Closing gulleys to limit opportunities for crime and anti-social behaviour.
- Removing porches to deter unwanted congregation at the front of flats.

The project has been welcomed by the police and local residents.







## Hodges Square

As part of an on-going programme of regeneration work in Butetown, Hodges Square is benefiting from a regeneration scheme to improve the appearance of the maisonettes, re-design courtyards and bin stores and upgrade the quality of the environment. The scheme has been designed in consultation with tenants and residents and is being delivered in two phases:

### Phase One – Re-cladding and Courtyard Improvement Work

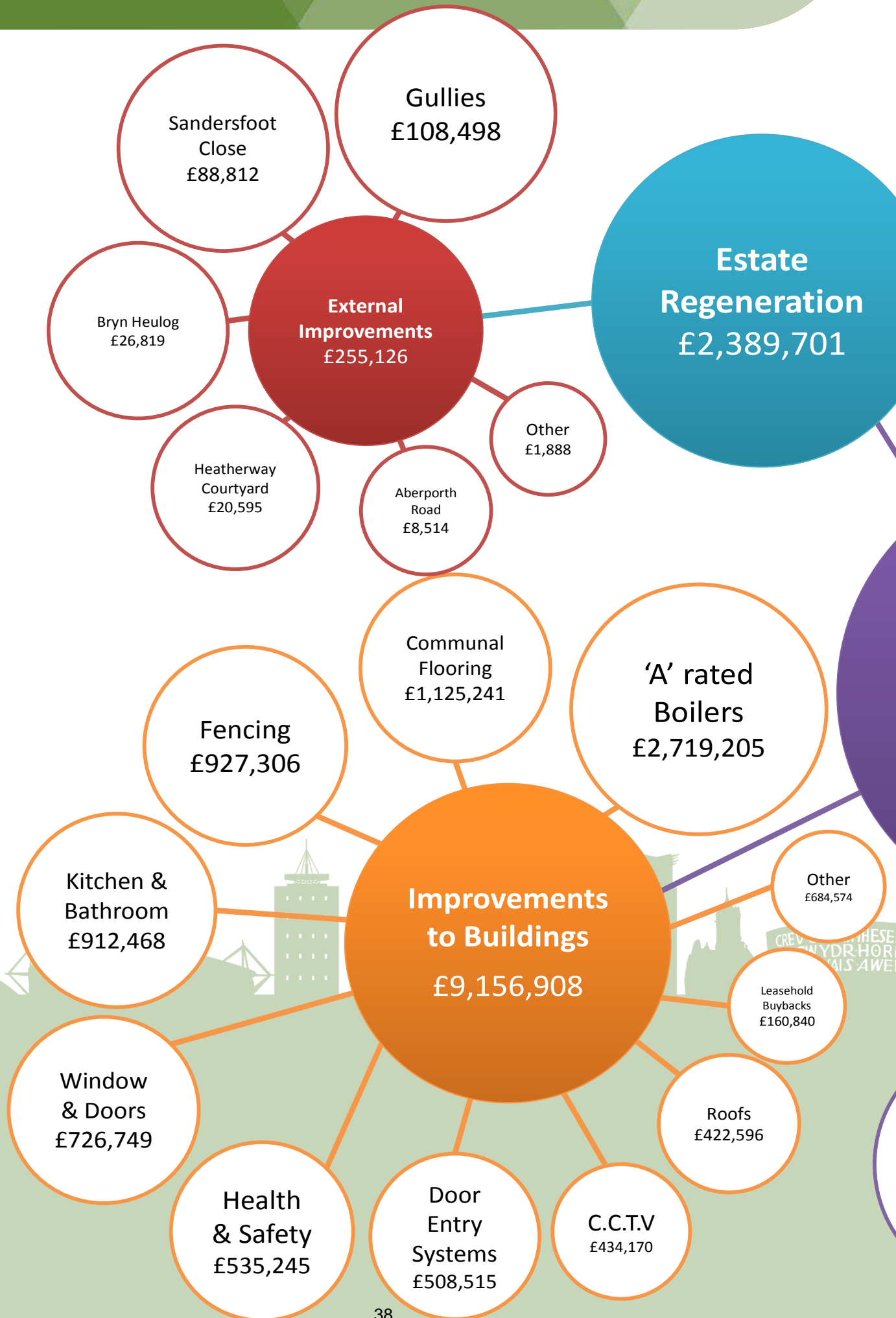
The first phase of the improvement work has been completed, and has improved the general appearance, waste storage and security of the maisonettes through:

- Cleaning and treating brickwork.
- Feature cladding of sections of the buildings.
- Improvements and upgrades to the communal door entries and systems.
- Upgrades to the soffits, fascia boards, downpipes and guttering.
- New courtyards to improve security, provide new bin stores, drying areas and sheds.

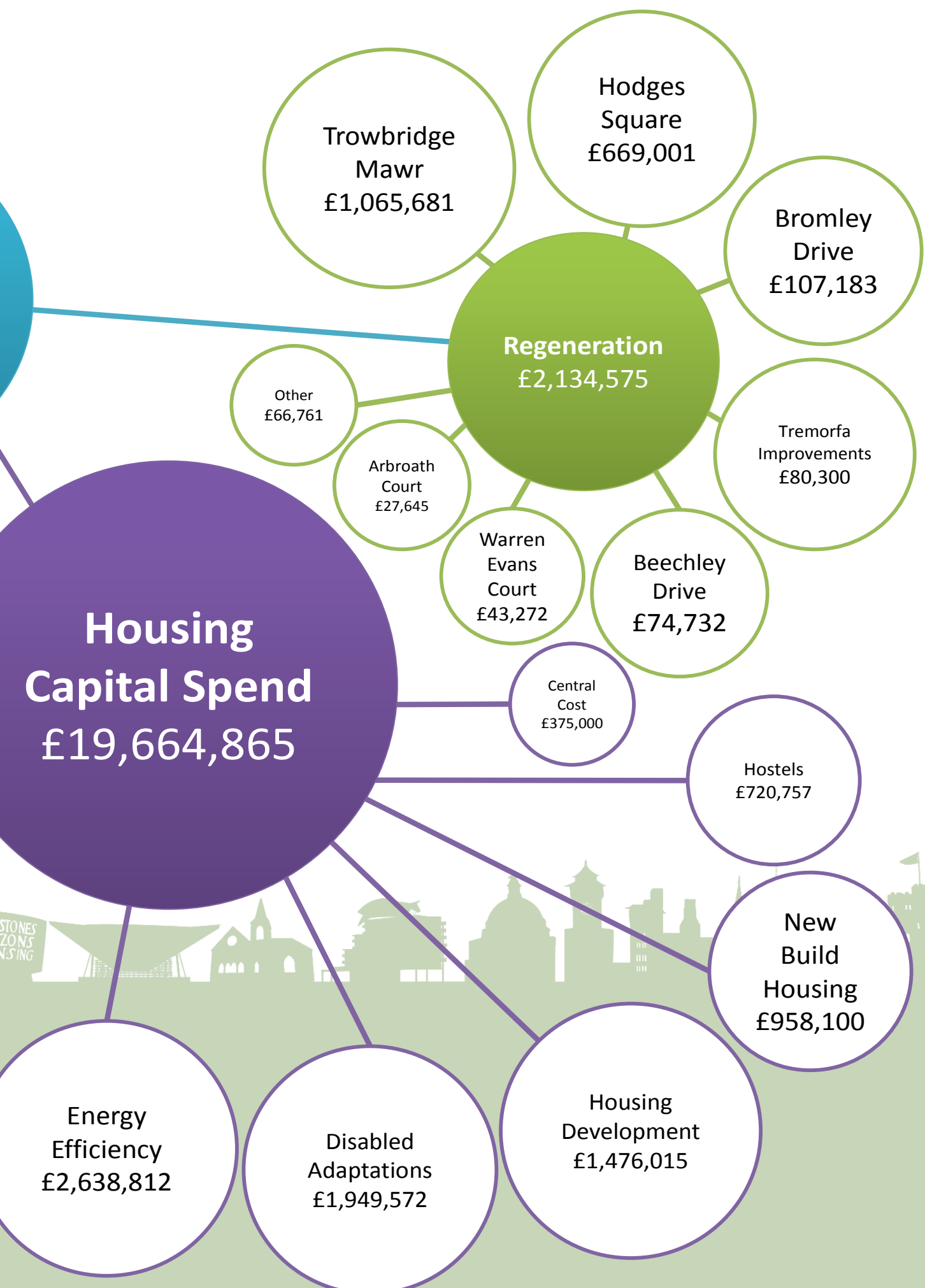
### Phase Two – Landscaping Work

Phase two is currently in the design stage and will seek to tackle wider environmental problems within the estate. It will involve assessing lighting and CCTV needs along with landscaping and parking issues.

# Programmes of Work Spend 2014/15







# Programmes of Work - Current & Future

## Overcladding

Overcladding improves insulation. To improve the energy efficiency, insulation and visual appearance of a number of properties an overcladding programme is continuing in areas across the city.

Better insulation as a result of the cladding improves energy efficiency, meaning properties are cheaper to heat, warmer in winter and cooler in the summer.

The following blocks in Llanedeyrn will be completed over the next year and further blocks in the city are planned for improvement .

### 2015/16 Overcladding Programme Pennsylvania

- 337-345 Pennsylvania
- 346-355 Pennsylvania
- 366-375 Pennsylvania
- 256-264 Pennsylvania
- 274-282 Pennsylvania
- 319-327 Pennsylvania
- 328-336 Pennsylvania
- 283-291 Pennsylvania



## Boilers upgrade programme

Following previous programmes of work all Council properties have been offered A rated boilers.



## Fire Door upgrades

We are embarking on a programme of works to upgrade all front doors in low-rise flats across the city to Secure by Design Fire Doors.



This will greatly improve security, fire safety and the aesthetics of the communal areas.



# Painting programme

We are continuing our painting programme works.

The next phase will see over 3,000 flats painted, this will cover all external areas on properties including gates and fences.

Homes within the areas listed below will be painted:

- Butetown
- Canton
- Cathays
- Creigiau and St. Fagans
- Ely
- Fairwater
- Grangetown
- Heath
- Lisvane
- Llandaff North
- Llanishen
- Llanrumney
- Pentwyn
- Pentyrch
- Radyr and Morganstown
- Rhiwbina
- Riverside
- Rumney
- Trowbridge
- Whitchurch and Tongwynlais

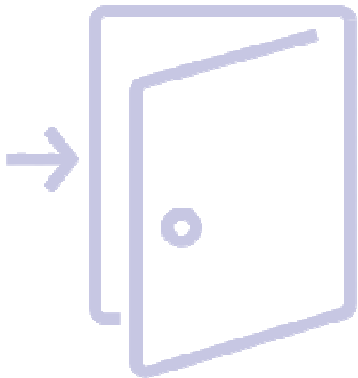


# Door entry systems

We are replacing our older door entry systems with modern up-to-date systems improving the security and appearance of the affected blocks.

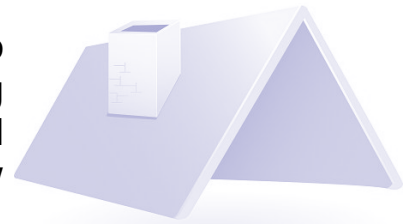
Some of the blocks in the following areas will receive new door entry systems this year:

- Butetown
- Caerau
- Canton
- Cathays
- Ely
- Fairwater
- Gabalfa
- Llandaff North
- Llanishen
- Llanrumney
- Pentwyn
- Pentyrch
- Plasnewydd
- Splott
- Trowbridge
- Whitchurch and Tongwynlais



# Roofing works

As roof coverings come to the end of their lifespan we will renew them and where necessary, we will also provide new fascias, soffits and rain water goods. We intend to commence a roofing scheme on selected dwellings in the new year.



# Energy efficiency works

To increase thermal efficiency and bring down energy costs we are continuing to upgrade the insulation in our properties. Lofts will be topped up with insulation to a depth of 300mm. All eligible properties will also have cavity wall insulation.

# Communal lighting upgrade

To improve safety we are currently upgrading our communal areas with new communal lighting & incorporated emergency lighting.



# Housing Development

## Housing Partnership Programme

The Cardiff Housing Partnership Programme is an innovative 10-year programme of development to improve over 40 sites across Cardiff, and have a real impact on the local communities.

The programme will build approximately 1,500 homes of which 40%, (600) will be affordable. The homes will be built to high-energy efficiency standard to help to tackle fuel poverty for the new residents. The programme will also offer a wide range of community benefits, including local training and employment opportunities; helping to bring new investment into Cardiff.

Work is due to start on the first sites in the summer of 2016.



Joanne Jamieson, Managing Director of Wates Living Space's Homes division, commented: "Our appointment to the Housing Partnership Programme is testament to Wates Living Space's expertise in creating high quality homes that will efficiently address an urgent housing shortage whilst improving the quality of life for local people."

Wates Living Space has been working with us since 2009 and is currently delivering work through its Housing Maintenance Framework. It is this strengthening relationship that will enable us to work collaboratively and ensure that this important work brings with it a stream of opportunities for local employment and training over the next ten years."







## Other new build programmes

Cardiff has a significant housing need with recent housing market assessment indicating that we need to build over 2,000 new affordable homes each year for the next 5 years to meet that demand. This figure is unachievable within current build programmes but the Council is committed to doing what it can to increase the number of new affordable homes being built each year.

The Council can help partly though our enabling role helping Housing Associations to build and through managing the Social Housing Grant Programme. We also negotiate new affordable housing units through the planning process.

However, we also want to use our new borrowing capacity to build new Council homes and (in addition to our Housing Partnerships Programme) we are putting plans in place to do so.

# Building New Homes - List of sites

## HPP Portfolio & First Phase Sites

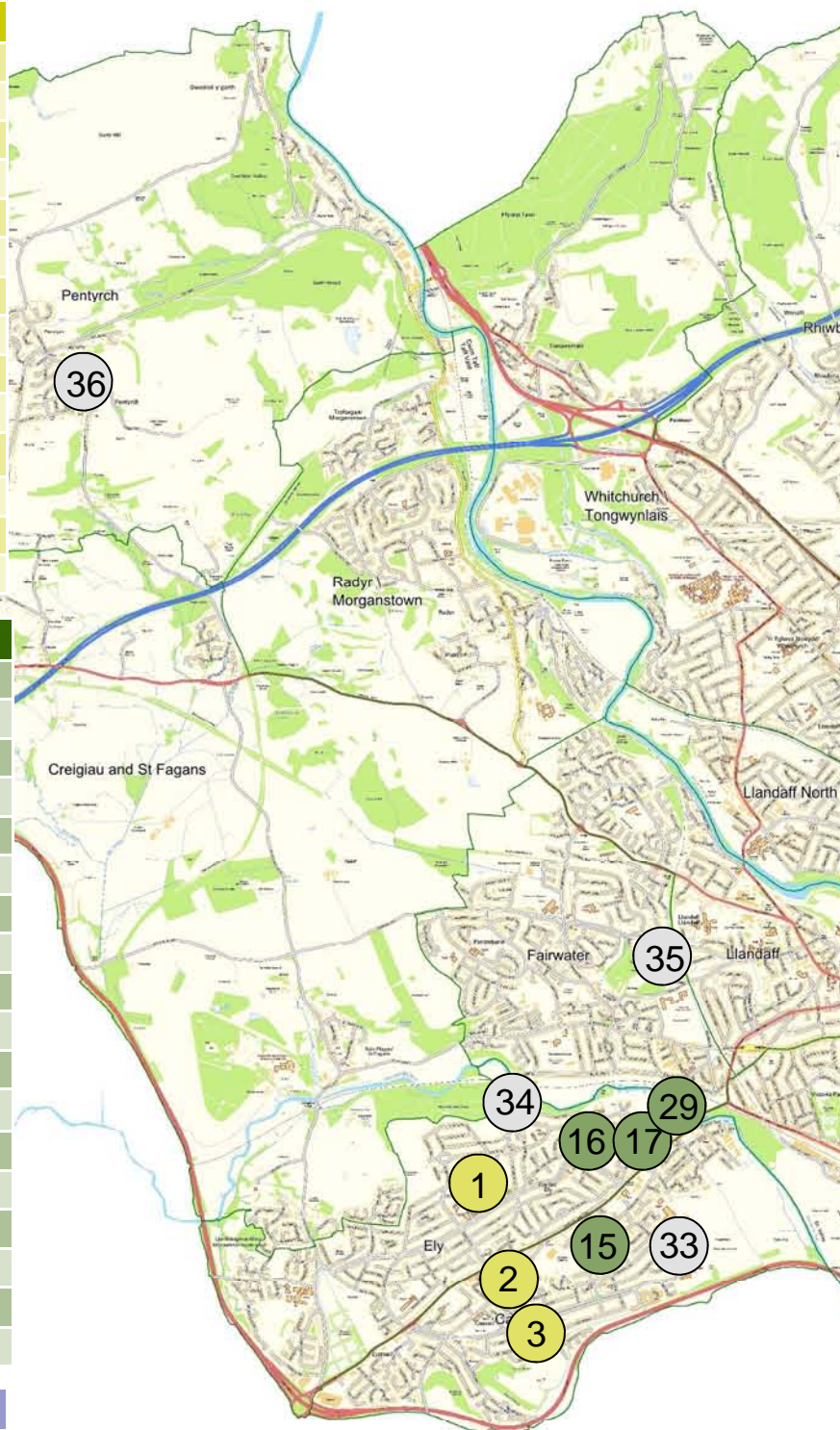
1	Snowden Road & Wilson Road, Ely
2	Ty Newydd, Caerau
3	Heol Trenewydd, Caerau
4	Briardene, Gabalfa
5	Highfields, Heath
6	Walker House, Llanishen
7	Braunton Crescent, Llanrumney
8	Clevedon Road, Llanrumney
9	Llanrumney Depot
10	Llanrumney Housing Office
11	Llandudno Road & Pwllheli Court, Rumney
12	Willowbrook West, St Mellons
13	Honiton Road, Llanrumney
14	Ty-Ty Maen, Old St Mellons

## Second Phase Sites

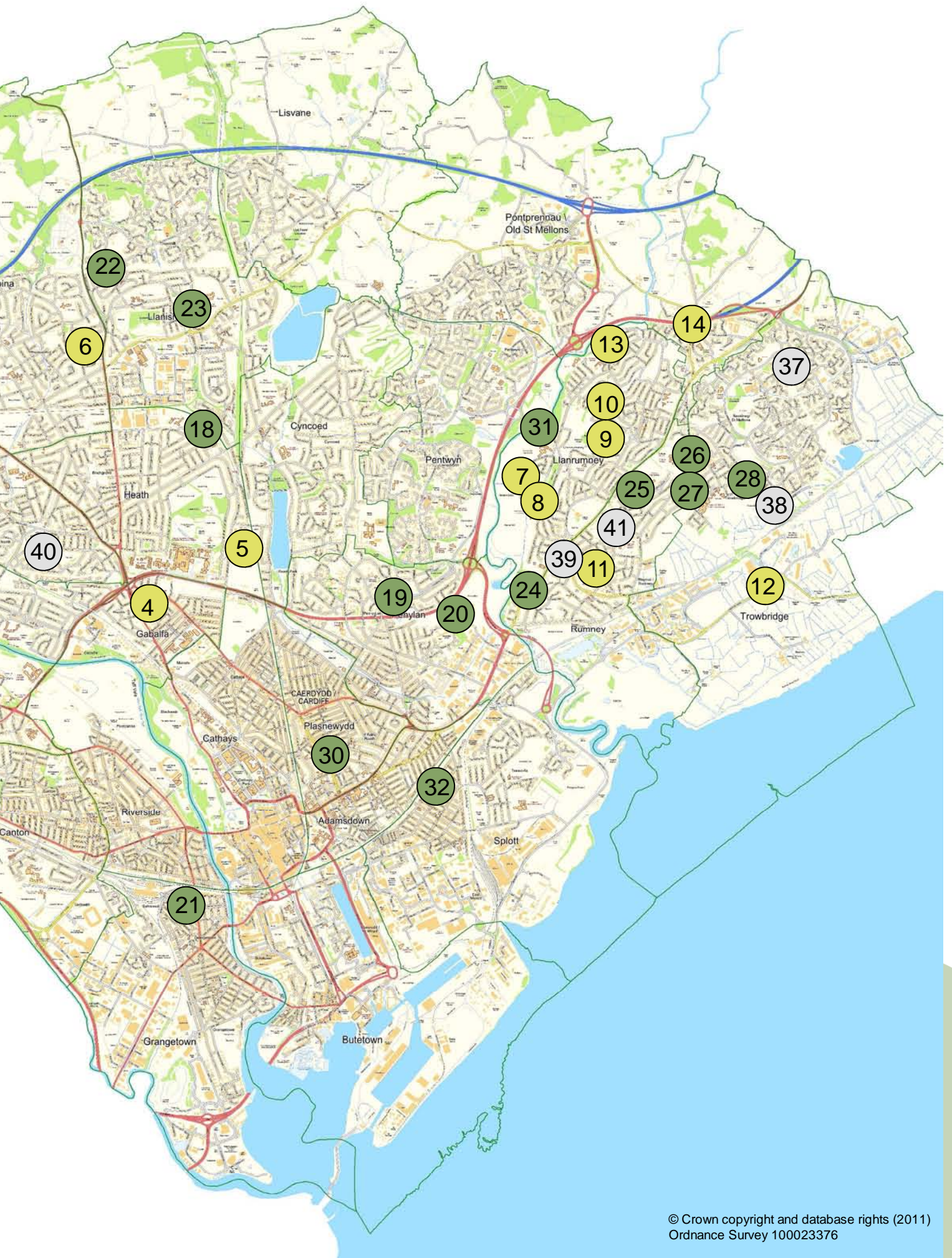
15	Caldicot Road, Caerau
16	Highmead Road, Ely
17	Ely Housing Office & Library
18	Fishguard Road, Llanishen
19	Ty Mawr, Southminster Road, Penylan
20	Howardian Centre, Penylan
21	Rutland Street, Grangetown
22	Templeton Avenue, Llanishen
23	65 Ty Glas Avenue, Llanishen
24	Cae Glas, Rumney
25	Trowbridge Childrens Centre, Rumney
26	Brookfield Drive/Tarwick Drive, St Mellons
27	Menai Way, Trowbridge
28	Trowbridge Green
29	Cherrydale Road, Ely
30	Croft Street, Roath
31	Llanrumney High School
32	Star Centre, Splott

## Third Phase Sites

33	Penally Road, Caerau
34	22-36 Frank Road, Ely
35	38 Gorse Place, Fairwater
36	Heol Danyrodyn, Pentyrch
37	Crumlin Drive, St Mellons
38	Area 11, St Mellons
39	Letterston Road/Caer Castell Place, Rumney
40	Mynachdy Centre, Llandaff North
41	Rumney High School, Rumney









## Stock Conversions and new specialist properties

The Housing Development Team is working closely with Health & Social Care colleagues to refurbish old stock for specialist or supportive housing purposes. The team are currently delivering the following schemes:

**Conversion of 150 Thornhill Road:** (former children's home) for designated independent living (older person) flats. This large property is being converted to provide 8 x 1 and 2 bed flats with communal room facilities. A second phase of this scheme will also see a number of older person bungalows built to adjoin the refurbished building.

**Conversion of 42 Meteor Street:** This empty property is being converted for supported housing for the Council's 'closer to home' project. The scheme will provide much needed supported housing within the city and provide a substantial saving for Health & Social Care.

## HRA Asset Management

A Strategy has been developed for improvements to the courtyards and communal spaces of our flats. The courtyards and communal spaces have all been surveyed and categorised depending on condition and layout. A rolling programme of improvements will be implemented to ensure that all courtyards will be private, secure spaces which are fit for purpose and offer adequate clothes drying, seating and bin storage areas as appropriate. A long term improvement programme will be put in place.

Work is underway to put in place a programme to update our existing garage site stock. This will involve improving units where they are well used and in high demand and removing sites that are run-down and have a number of vacant units. Each site that will remain should be in a good condition with improved security. Alternative uses will be identified for the sites that will be removed.



Image of new front entrance & communal room to 150 Thornhill Road





Images of Sandown Court:

## **Sheltered Housing Schemes (older person accommodation)**

The Council have developed a programme to improve our existing older person housing complexes, currently known as Sheltered Housing accommodation. Work is underway at Sandown Court in Caerau which will see the block completely refurbished.

All the flats are being updated so that they are fit for purpose and offer flexible, independent living. All the communal areas will be upgraded including the garden space and the provision of a new disabled scooter charging facility.

This programme will ensure that our older person housing is accessible, fit for purpose and sustainable and that the living accommodation can adapt around our tenants' needs, encouraging independent living within complexes where wider support is available as required.

A wider review of our entire current older person stock is taking place to ensure every home is fit for purpose and promotes independent living and also to ensure we can identify what types of new 'older person' housing is needed in the future.

# Resource Planning

## Financial Resources

Now that Cardiff has met the Welsh Housing Quality Standard it is important to ensure the standard is maintained and investment is planned accordingly. The level of actual investment required will vary year on year and consequently detailed programmes of work require adjustment on a yearly basis. A detailed draft programme of works for the next five financial years is included on page 54 - Five Year Capital & Revenue Budgets.

The Business Plan includes a provision for kitchens and bathrooms that are deemed as acceptable fails, e.g. tenant refusal. These will be improved as properties become vacant or tenants change their minds. Despite publishing articles in the local press there has been limited take up in respect of acceptable fails.

A 30-year financial Business Plan model has been produced for the Housing Revenue Account. Most of the day-to-day income and expenditure estimates within the Business Plan model are based on historic trends and/or reflect current HRA budgets.

Estimated data has been incorporated from 2016/17 onwards. The key assumptions used within the base model from 2016/17 onwards are as set out in the Housing Revenue Account Business Plan parameters as advised by the Welsh Government.

Therefore, from 2016/17 onwards, the model assumes that rent increases will be within a range of 2.2% to 3.86% per annum. With respect to service charges, those charges which are normally increased in line with inflation have been frozen and a small number of charges have been increased for full cost recovery. There are some standstill charges where cost recovery is being achieved and some charges are decreased in line with reduced costs. Voids and bad debts are currently 2.02% and 1.51% respectively and are assumed to remain at this level over the 30 year period. Consumer and retail price indexes are estimated to be within a range of -0.1% and 3% throughout the model.

The Council's stock condition database provides details of the improvements carried out to each individual property, block of flats or maisonette within the Council. This will provide more accurate forecasts and will allow for the programmed works to be planned and costed accordingly. The Council will seek to achieve value for money in all respects by the most efficient, effective and economic use of resources.

## People

The Council recognises that its employees are the single most important part of the Council's capability to successfully deliver its aims and aspirations, and to deliver the best services possible for the citizens and communities of Cardiff. The Personal Performance and Development Reviews (PPDR) are a crucial aspect in developing, maintaining and motivating the workforce. As such the Directorate is committed to ensuring that, where possible, all employees receive a PPDR and know exactly how they are doing in their jobs and how their role relates to the overall objectives and vision of the Council.



## Capital Resources

The capital resources assumed for future years and the planned expenditure using those resources are identified in this section. The Business Plan assumes that the Council continues to receive the Major Repairs Allowance (MRA) Grant from the Welsh Government at existing levels of £9.6m per year for the term of the Plan. Any reductions to this will have an impact on affordability and the level of borrowing required if the improvements made in achieving WHQS are to be maintained. In line with 2015/16 levels, projected receipts from future council house sales are kept at a very low level. In addition, no provision has been made for land receipts within the financial model but if received, these would be used to reduce any borrowing requirement in the year. This shows a prudent worst case scenario and thus any subsequent land receipt income will have a positive impact on the Business Plan.

## Component Lifespan

Typical Components	Roof	Wiring systems	Bathroom	Windows	Boiler	Doors	Door entry systems	Kitchen	Smoke alarms	Painting
Average Lifespan (Years)	40	30	25	25	20	20	15	15	10	8
Average cost of replacement	£5,000	£1,300	£1,000	£2,500	£3,187	£1,500	£4,000	£1,500	£250	£400

## Council Values

The Council's vision is to be Europe's most liveable capital city. Cardiff City Council will create a culture that supports and enables a flexible, skilled, engaged and diverse workforce.

### Open

We are open and honest about the difficult choices we face and allow people to have their say on what's important to them and their communities.

### Fair

We champion fairness, recognising that with less resource we need to prioritise services for those who need them most.

### Together

We work with our communities and partners across the city to deliver the best outcomes for the people of Cardiff

## Sustainability

We work in partnership with suppliers and contractors to acquire the best quality materials for the best value. We ensure that environmental criteria are used in the award of contracts, when assessing value we consider the whole life cycle of a material, including installation, maintenance and final disposal. The council will source green energy wherever possible and consider suppliers environmental credentials. This means that the cheapest product does not necessary deliver the best value.

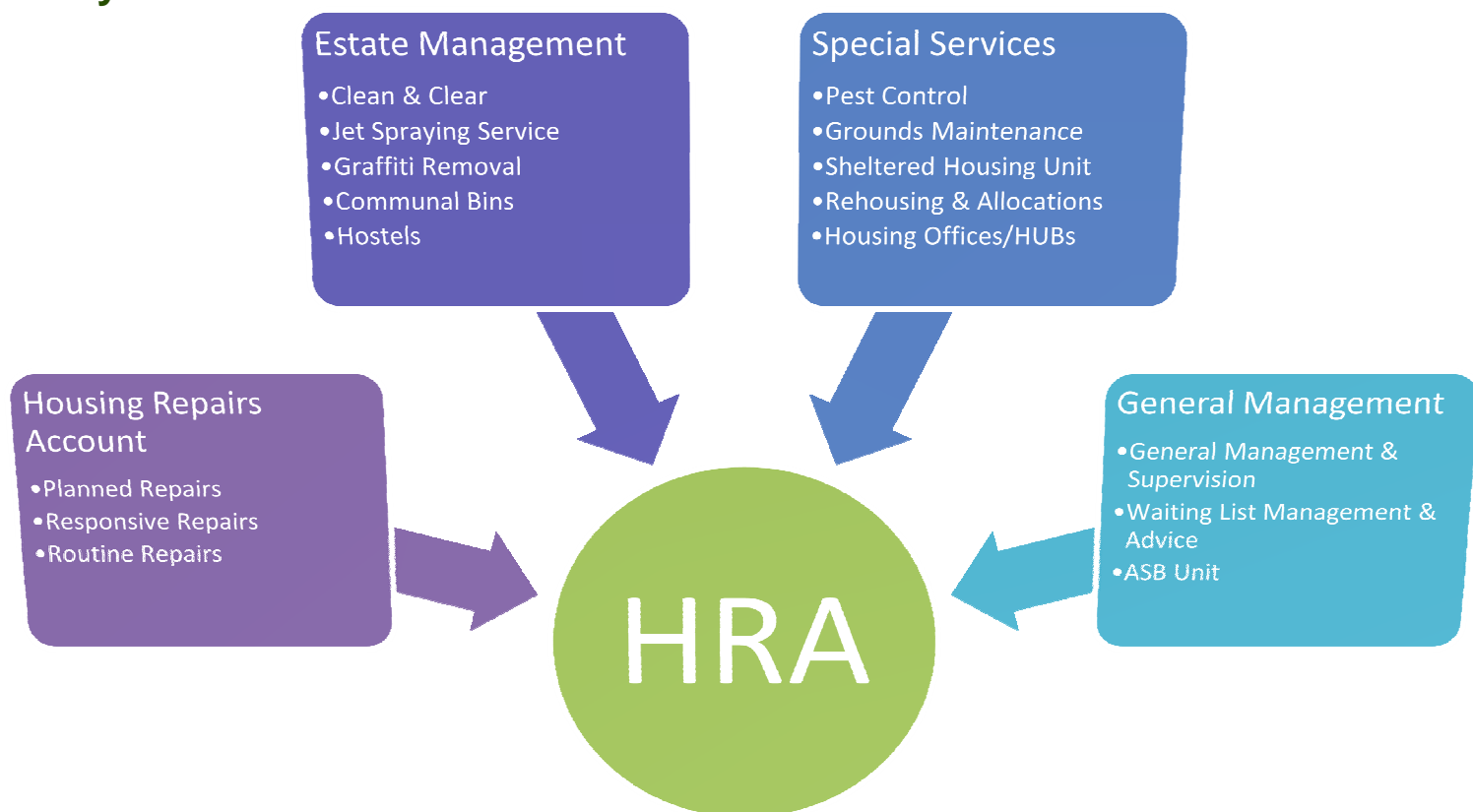
## Sensitivity Analysis

The projections within the financial model are extremely sensitive to changes in forecast expenditure levels, capital financing assumptions, and the projected income levels and inflation rate changes.

Sensitivity Analysis of the Business Plan 2016-17			
	Operating Account/HRA Balance		Change to 30 yr model compared to base model
	Year 2	Year 30	
	£m	£m	
Base Model	8.438	36.649	-
Rent increases by CPI +0.5% for tenanted stock for a 5 year period	8.438	(26.532)	(63.181)
Additional 5 new build properties	8.438	43.263	6.614
Right to buy sales continue at year 2 level for the 30 year period	8.438	(40.334)	(76.983)
Voids and bad debts increase by an additional 0.5% from year 2	7.753	2.864	(33.785)



## Analysis of Items Included in the HRA



The items above are in accordance with relevant legislation and other guidance including the Welsh Office Circular 33/95.

## Impact of Welfare Reform

**Welfare Reform** -The Business Plan has given consideration to the impact of Welfare Reform. Financial modelling was carried out in an attempt to consider likely scenarios, particularly in respect of potential increases to rent arrears as a result of the reductions in Housing Benefit due to property rent/size restrictions. In addition, the modelling considered the potential additional costs of collection and arrears recovery.

The Council is putting in place various measures to minimise this impact. Tenants have been provided with detailed information about the changes, setting out available options including home swapping and property transfers. The waiting list process has been simplified and affected cases will be prioritised within this process.

Universal Credit started to be rolled out gradually in Cardiff from November 2015. It replaces 6 benefits (including Housing Benefit) and is paid monthly in arrears directly into the claimant's bank account. Many tenants would have their Housing Benefit paid directly to their rent account, under Universal Credit this is not generally the case. This means that tenants are required to budget effectively and pay their rent from the Universal Credit Payments that they receive.

To help with these challenges we are rolling out online access across the city, giving budget advice in all the Hubs and we have set up a new Welfare liaison team.

# The way Council housing is financed is changing

From April 2015 the UK Government and the Welsh Government reached an agreement to change the financing arrangements for Council housing in Wales and Councils with housing become 'self-financing', which means that decisions on investment in Council housing can be made locally.

## What do the changes to Council housing finance mean?

Local authorities can run their landlord services in a way that meets the needs of their tenants and local communities, rather than being restricted by the UK Government.

The new arrangements will mean that:

- Councils are able to invest more of the rent it collects into Council homes and housing services.
- There are more opportunities for Councils to build new homes.
- There is more choice on how Councils spend and tenants can be part of that decision making process.

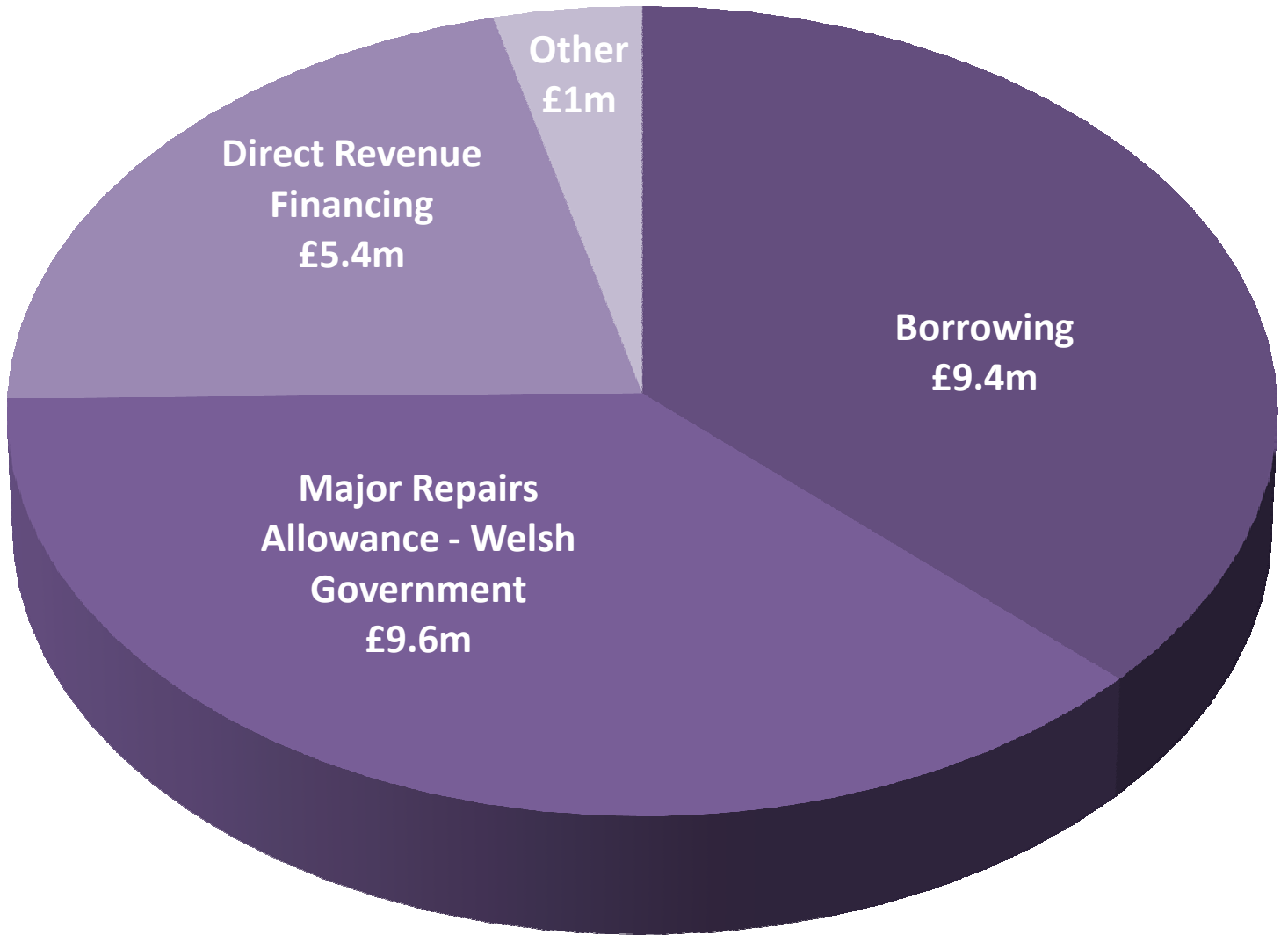
The changes do **not** affect:

- The rights of our tenants – such as the right to repair, and the right to buy.
- The landlord – self-financing does not change the landlord in any way.
- The rent – the level of rent tenants pay will continue to be a decision for the Council.





## How do we fund our improvements programme 2016/17?



Llywodraeth Cymru  
Welsh Government

# 5 Year Capital & Revenue Budgets

## Capital Spend (Draft)

Scheme Title	2016/17	2017/18	2018/19	2019/20	2020/21
	Budget	Budget	Budget	Budget	Budget
PUBLIC SECTOR HOUSING -	£,000	£,000	£,000	£,000	£,000
Regeneration and Area Improvement Strategies	6,000	4,750	3,650	3,400	2,650
Central Heating Boilers	2,000	2,000	1,500	1,500	1,500
Communal Heating System - High Rise	1,000	1,000	1,000	0	0
Roofs	1,500	1,500	1,500	1,500	1,500
Rewiring & Emergency Lighting	1,250	500	500	250	250
Fencing & Defensible Space	500	500	500	500	500
Door Entry Systems	500	0	0	0	200
Front Door Upgrades to Flats	1,500	250	250	0	0
Door Upgrades to Houses	0	500	500	500	500
Lift Upgrades & Renewals	250	0	0	500	500
Windows & Door Upgrades	500	1,500	1,500	2,000	2,000
Highrise Upgrades - (cladding, windows, roof)	500	3,500	3,000	500	500
Communal Flooring to Blocks of Flats	500	0	0	0	0
Kitchens & Bathrooms	1,000	1,500	1,500	1,500	2,000
Health & Safety	200	200	100	100	100
B.I.S.F. Refurbishments	500	0	0	0	0
C.C.T.V.	0	0	0	0	250
Structured Works Underpinning	0	0	0	0	0
Sheltered Accommodation Improvement Strategy	1,200	400	800	1,500	950
HUBs	2,055	600	0	0	0
Housing Partnering Project / Development	2,400	7,500	9,000	5,400	5,800
Disabled Facility Service	1,800	1,800	1,800	1,800	1,800
Central Costs	250	250	250	100	100
<b>Total Programme</b>	<b>25,405</b>	<b>28,250</b>	<b>27,350</b>	<b>21,050</b>	<b>21,100</b>
<b>Funded</b>					
Prudential Borrowing - HPP / Development	(2,400)	(5,199)	(8,883)	(5,400)	(5,800)
Additional Borrowing	(7,005)	(5,710)	(3,269)	(528)	(135)
Major Repairs Allowance	(9,600)	(9,600)	(9,600)	(9,600)	(9,600)
Direct Revenue Financing Existing	(2,000)	(2,040)	(2,081)	(2,122)	(2,165)
Direct Revenue Financing - Additional Post HRAS Reform	(3,400)	(3,400)	(3,400)	(3,400)	(3,400)
Revenue Reserves - Central Costs	0	0	0	0	0
S106 and other Concs	0	(2,301)	(117)	0	0
Capital Receipts	(1,000)	0	0	0	0
<b>Total Funding</b>	<b>(25,405)</b>	<b>(28,250)</b>	<b>(27,350)</b>	<b>(21,050)</b>	<b>(21,100)</b>



## Revenue Spend (Draft)

Title	2016/17	2017/18	2018/19	2019/20	2020/21
	Budget	Budget	Budget	Budget	Budget
	£,000	£,000	£,000	£,000	£,000
Employees Costs	9,948	11,656	11,770	11,904	12,040
Premises Costs	4,015	3,871	3,946	4,057	4,167
Transport Costs	108	111	113	117	120
Supplies & Services Costs	2,479	2,448	2,499	2,573	2,647
Support Costs	5,716	5,514	5,616	6,062	6,408
Repairs & Maintenance - Council House Repairs	18,900	18,000	18,720	19,469	20,248
Repairs & Maintenance - Other Repairs	19	35	37	40	43
Interest of Borrowing & Other Capital Charges	21,016	21,012	21,819	22,144	22,774
Funding for Capital Schemes	4,200	5,400	5,440	5,481	5,522
<b>Total Expenditure</b>	<b>66,401</b>	<b>68,047</b>	<b>69,960</b>	<b>71,847</b>	<b>73,969</b>
Net Rental Income	65,717	(67,362)	(69,272)	(71,154)	(73,267)
Interest on Balances					
Other Income					
<b>Total Income</b>	<b>(66,401)</b>	<b>(68,047)</b>	<b>(69,960)</b>	<b>(71,847)</b>	<b>(73,969)</b>
<b>Revenue (Surplus)/Deficit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Balance Brought Forward</b>	<b>(8,438)</b>	<b>(8,438)</b>	<b>(8,438)</b>	<b>(8,438)</b>	<b>(8,438)</b>
<b>Balance Carried Forward</b>	<b>(8,438)</b>	<b>(8,438)</b>	<b>(8,438)</b>	<b>(8,438)</b>	<b>(8,438)</b>

(subject to Welsh Government parameters)







My Ref: Scrutiny/Correspondence/Cllr McGarry

8 January 2016

Councillor Susan Elsmore  
Cabinet Member  
c/o Room 520  
County Hall  
Cardiff  
CF10 4UW



Dear Susan

### **Community & Adult Services Scrutiny Committee – 6 January 2016**

On behalf of the Members of the Community & Adult Services Scrutiny Committee, I would like to thank you and the officers for attending our Committee on 6 January 2016. I have sent a separate letter to you and Councillor Patel regarding our scrutiny of the Gypsy and Traveller Accommodation Assessment and Site Assessment Criteria. This letter covers our pre-decision scrutiny of the Housing Revenue Account Business Plan 2016-17 and our deep dive into council housing voids management.

#### **Housing Revenue Account Business Plan 2016-17**

Members thank officers for preparing the report and presentation, which we found both interesting and useful. With regard to the robustness of the Business Plan, Members are unable to comment on this given that the levels of several key parameters are still awaited from Welsh Government.

With regard to the proposed rent increase of 1.4% plus £2 per week, leading to an average increase of £3.30 per week, Members were reassured to hear that this will not impact on the majority of tenants as the increase will be covered by housing benefit. Members were concerned about the impact on those tenants most affected by recent Welfare Reforms, notably the benefit cap and 'Bedroom Tax'. Members note that there are approximately 200 households covered by the benefit cap, who will be affected by the rent increase. Members note that, for those tenants affected by the 'Bedroom Tax', the consequent impact will be approximately 14% of the overall increase, and therefore more manageable than may first appear to be the case.

Members asked several questions regarding the level of debt repayment, both overall and specifically to do with debts relating to the Housing Revenue Account Subsidy exit. Members note officers' assurances that the debt repayment is prudent, sustainable and affordable in the longer term. Members also note that finance officers keep a close eye on the situation with a view to enabling earlier repayment were this proven to be viable. However, Members think that it would be useful to undertake comparison with other local authorities to see how our ratio of debt and repayment measure up, if only to provide reassurance that our ratio is appropriate.

With regard to the Building Maintenance Framework Agreement, Members are aware of the main issues with this, particularly following our deep dive into council housing void management, which included examining the Constructing Excellence Wales reports taken to Audit Committee recently and discussing issues with officers involved in the day to day management of this Agreement. Members recommend that the shortfalls in this Agreement be addressed in the new agreement being developed; this will improve the experience of tenants when contractors are undertaking planned, programmed and reactive repairs, as set out in the Housing Revenue Account Business Plan 2016-17. More details on this are provided in our report on the deep dive into council housing void management, attached to this letter.

I mentioned at the meeting that the signage at Marland House requires improvement to clearly signpost that services are now provided at Central Library. I note that Sarah McGill agreed to improve the notices in the ground floor windows of Marland House, to make them larger and clearer, and I look forward to this being undertaken.

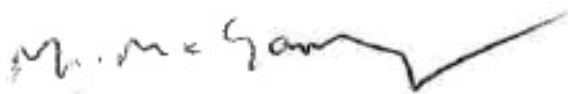
### **Deep dive into council housing voids management**

As mentioned above, our Performance Panel has recently undertaken a deep dive into council housing void management, with the subsequent report being approved at Committee. The report is attached to this letter and contains sixteen recommendations, aimed at improving our performance in the short and medium term. I very much hope that this is of use to you and officers.

To summarise, I look forward to hearing back from you on the following:

- Recommendation – to undertake comparator work with other local authorities regarding Housing Revenue Account debt and repayment ratios
- Recommendation – that the shortfalls in the Buildings Maintenance Framework Agreement be addressed in the new agreement being developed
- Recommendations from the deep dive into council housing void management – whether these are accepted and, for those that are accepted, details of how and when they will be implemented.

Yours sincerely,



**COUNTY COUNCILLOR MARY M<sup>C</sup>GARRY**

**Chairperson - Community & Adult Services Scrutiny Committee**

Cc: Sarah McGill Jane Thomas Colin Blackmore Anil Hirani  
Liz Patterson  
Claire Deguara Matt Swindell