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CORRESPONDENCE FOLLOWING THE COMMITTEE MEETING

Committee COMMUNITY & ADULT SERVICES SCRUTINY COMMITTEE

Date and Time of Meeting MONDAY, 20 MARCH 2023, 2.00 PM

Please find below correspondence send by the Committee Chair following the meeting, together with any responses received.

For any further details, please contact scrutinyviewpoints@cardiff.gov.uk

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22nd March 2023

Councillor Lynda Thorne
Cabinet Member for Housing & Communities
Sent via e-mail



Dear Cllr Thorne,

COMMUNITY & ADULT SERVICES SCRUTINY COMMITTEE – 20 MARCH 2023 – HRA BUSINESS PLAN 2023/24 & ENERGY EFFICENCY RETROFIT SCHEME

A sincere thanks, to you and officers, for attending the Community & Adult Services Scrutiny Committee, to facilitate our consideration of the HRA Business Plan and the proposals regarding the Energy Efficiency Retrofit Scheme. For ease of reference, our observations for both agenda items, are captured in this letter.

HRA Business Plan 2023-24

Demand on Homelessness services.

In line with the current, unprecedented demand on the council's homelessness services, we sought clarity on the average wait time for an individual on the council house waiting lists. We note the list comprises immediate / urgent classification and subsequent banding, and we explored the nuances which make it difficult to provide an indicative, average wait time for an individual.

In line with the ever-growing demand, coupled against the challenge of few council properties becoming available from tenants 'moving on' (*for example by stepping onto the property ladder*) we explored the level of need and demand across the city. Focusing in particular on how need and demand, influences the council's strategic response.

We were informed there is demand across the city for all types of housing stock, and we received assurance that the types of properties required by those on the waiting list is taken into consideration when pursuing all housing development routes. However, we do wish to reiterate the importance of ensuring a balance of housing typology within all our programmes of work; particularly as this can help address other significant issues such as overcrowding.

Further, we also wish to stress the need to remain mindful that there is housing need across the city, and we would welcome affordable housing opportunities being present in a range of localities and not concentrated in their development. We feel this will allow individuals to downsize, or benefit from our specific schemes (*such as the older persons accommodation*) whilst remaining in a close, familiar locality.

We note this view is shared by yourself and officers, however we were informed of the challenges in obtaining sites in the more affluent parts of the city such as site availability, and competition from private developers; yet council work in pursuing such opportunities continues.

Void Properties

Aligned with the current demand on homeless services, we explored the area of void council properties. The HRA Plan details that between 2022/23, 718 council properties became void during the year. As mentioned at the meeting; we feel this aspect of the plan would benefit from the following additional information:

- Clarity that the stats provided do not indicate the level of properties void at year end, but rather is presented to highlight the turnover of council properties during the year.

We would also appreciate further information on:

- The average time it takes to 'turn around' a void property that requires repair/maintenance work before it is offered to new tenants.
- Detail on the number of council void properties back in use at year-end (2022/23).
- The number of any long-term void council properties in the city (*we appreciate this figure will be everchanging, however a snapshot overview would be welcomed*)

To confirm, committee members are acutely aware of the circumstantial consideration required when considering void properties. Yet, given the ever-growing demand, we do wish to stress the importance of immediate measures in response to the current context, and we would encourage such solutions continue to be pursued, wherever possible.

Quality of Existing Housing Stock

The emphasis included in the plan around council house repair and maintenance work is welcomed, and we highlighted the importance of contract monitoring when such work is

carried out, along with the need to ensure tenant satisfaction is continuously sought and utilised. Further, we also welcomed the focus in the plan on addressing damp in properties; particularly given the current context where some residents may struggle to afford heating their homes. In addition, we wish to encourage the development of electric vehicle charging points in council houses. We would urge that within all current, and forthcoming housing development opportunities, the inclusion of such facilities is a key consideration.

Updating Welsh Housing Quality Standards (WHQS)

As the Welsh Government is due to update their 'Welsh Housing Quality Standards' we sought assurance this would not impact our eligibility toward receiving the Major Repairs Allowance grant (£9.568 million per annum). From the response, we were informed officers are confident the grant will be attained as grant requirements are for the council to continue meeting the existing WHQS and have the Welsh Government deem this Business Plan as affordable. Given the recent Renting Homes Wales Act, we wondered if the new WHQS will be linked to this legislation; and if the interplay is known by yourself, or officers, we welcome that knowledge being shared.

Decarbonisation

In terms of the decarbonisation agenda, concerns were highlighted regarding the scale and subsequent costings of this work, and we referenced the section of the Cabinet Report which states, *'It should be noted that there is no inclusion within the plan of the financial impact of meeting the new [Welsh Housing Quality] standards on decarbonisation, until clarity of approach and confirmation of any financial support to meet targets is available'* and we sought the reasoning why this financial modelling had not been undertaken; albeit on an indicative nature.

From the discussion we note the modelling this paragraph reference is in relation to the new WHQS which requires the upgrading of council properties from minimum EPC level rating of a 'B' to an 'A' from 2031 onwards. We note from discussions, officers are anticipating this to be a significant costing and work is ongoing with the Welsh Government regarding fiscal support.

Further, it was confirmed the upgrading of council properties from an 'E' to a 'C' by 2029 and a 'C' to a 'B' from 2029 has been included in the plans financial modelling. Given the magnitude of the overall decarbonisation agenda, and its subsequent costings, we concur with yourself and officers on the need to remain realistic in the planning and the importance of ensuring

sufficient Welsh Government support is offered so this programme of work is delivered both effectively and efficiently.

Borrowing

The borrowing levels proposed in the plan are substantial, and we note a significant element of that borrowing is attributed to the building of new council properties. As such, we sought clarity on how much income we anticipate as a return of this particular investment. We note from the answer, substantial modelling work is undertaken of each development scheme via a viability assessment / toolkit and it is forecast in thirty years' time, we will be in a position where the borrowing is paid back, with a surplus from the rent coming in.

Equality Impact Assessment (EIA)

It was confirmed the EIA in the papers relates to both the accessibility of the plan and its delivery. However, we held concerns over the judgment used in the EIA given that the only disability where an impact has been identified was regarding visual impairment. We, along with yourself and officers, are of the view that many cohorts will need to be considered when delivering this plan and so urge the judgement behind this assessment be reviewed in future years.

Restructure of the Housing Development and Neighbourhood Regeneration Team

At the meeting we explored the reasonings and identified benefits behind the proposal to restructure the above-named council team, and create an Assistant Director (AD) Post. We were informed a key reasoning for this proposal is to ensure effective delivery of the increased council house new build and regeneration programme, to support delivery of the integration agenda and that the creation of this post is deemed appropriate given the scale of work and responsibility.

However, given the recent budget setting process, where we as a council addressed a shortfall of £24.216m, there was a 172.9 FTE reduction of staff posts and the recent decision to increase council tenants' rent, we held significant concern over the timing of this proposal, its justification, and the subsequent public perception this proposal generates.

We explored how the creation of this post has been deemed cost neutral to the council and were informed additional external funding has become available, capital funding has increased, and lower-level posts will be removed.

An element of concern regarding this proposal remains and we would welcome detail on the exact plans for this restructure; including how many posts will be removed to allow for the creation of an AD post, if any additional posts, other than the AD post, will be created, the status of posts being removed, for example if any individuals' will be made redundant, how the AD post will be funded; disaggregated by all funding streams, and confirmation on when these additional funding streams being used for the creation of this post became known.

ENERGY EFFICENCY RETROFIT SCHEME

Committee Members welcome this work and sincerely hope the benefits this scheme identifies, are realised for all occupiers. However, as mentioned at the meeting we do wish to highlight the need to ensure that residents, residing in the private properties, are provided with a fully certified PRC certificate to ensure no adverse effects when they come to re-mortgage / sell their property.

We note there is an element of uncertainty around costings as the procurement process has not yet begun, however it was pleasing to be informed that should costings come in higher, you have confidence the Welsh Government will increase their grant funding to pay, in full, the work required for the private properties.

In relation to the life expectancy of the properties on completion of this work, we were informed the wall insulation has a 25year guarantee and it is hoped the longevity and life expectancy will be strengthened for many years to come. Further, it was also pleasing to note during the works there will be little impact for the occupiers as they will not be required to decant. We do wish to stress, quality assurance of the work and tenant satisfaction is at the forefront of the scheme, and as mentioned at the meeting, we welcome that the resident liaison officer will be in regular, direct contact with the occupiers.

Thank you once again to you, and officers, for attending committee. For ease of reference, the requests captured within this letter, which we request a response on, are as follows:

- The average time it takes to 'turn around' a void property that requires repair/maintenance work before it is offered to new tenants.
- Detail on the number of council void properties back in use at year-end (2022/23).
- The number of long-term void council properties in the city (*we appreciate this figure will be everchanging, however a snapshot overview would be welcomed*)
- If known, if there is any interlink between the WHQS and Renting Homes Wales Act.

- Detail on the proposed restructure to the Housing Development and Neighbourhood regeneration team, including; including how many posts will be removed to allow for the creation of an AD post, if any additional posts, other than the AD post, will be created, the status of posts being removed, for example if any individuals will be made redundant, how the AD post will be funded; disaggregated by all funding streams, and confirmation on when these additional funding streams being used for the creation of this post became known.

I hope you find the discussions held at committee and captured within this letter of use.

Yours,



COUNCILLOR BABLIN MOLIK
CHAIR, COMMUNITY & ADULT SERVICES SCRUTINY COMMITTEE

cc. Members of the Community & Adult Services Scrutiny Committee

Sarah McGill, Corporate Director People & Communities

Jane Thomas, Director Adults, Housing & Communities

Colin Blackmore, Operational Manager – Building Improvement & Safety

Helen Evans, Assistant Director, Housing & Communities

Gill Brown, Accountant

Leaders of the Opposition.

Chair of Governance & Audit

Tim Gordan, Head of Communications & External Relations

Cabinet Office

Fy Nghyf / My Ref: CM49418

Dyddiad / Date: 2nd June 2023

Councillor Bablin Molik
Cardiff Council
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Atlantic Wharf
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CF10 4UW

Annwyl/Dear Cllr Molik

CASSC - 20th March - HRA/Energy Efficiency Retrofit

Thank you for your letter of the 22nd March 2023 providing the Committee's comments on the HRA Business Plan 2023/24 and the Energy Efficiency Retrofit Scheme which were presented at the CASSC Scrutiny meeting held on 20th March 2023. I apologise for the delay in responding.

I would like to thank Committee members for the helpful and constructive comments. Responses to your specific enquiries and recommendations are set out below:

The average time it takes to 'turn around' a void property that requires repair/maintenance work before it is offered to new tenants.

In 2022/23, it took on average **72** calendar days to 'turnaround' an empty council property that required repair or maintenance work. This is the time from when the property initially becomes empty until new tenants have moved in. This figure is only for our general needs dwellings. I am pleased to advise that the turnaround time in 2022/23 was 30% lower than the average turnaround time in 2021/22 which was **102 days**. Properties in our internal temporary accommodation leasing scheme are turned around quicker, as tenants stay in there for less periods of time, resulting in the voids unit accessing and maintaining the property more often.

The longest time to turnaround a property was **458 days**. This property had significant fire damage which resulted in structural issues which needed to be resolved and required involvement with insurance loss adjusters. The shortest time to turnaround a property was just **12** calendar days.

Improving the dwelling so it is safe and comfortable to be lived in.

GWEITHIO DROS GAERDYDD, GWEITHIO DROSOCH CHI

Mae'r Cyngor yn croesawu gohebiaeth yn Gymraeg, Saesneg neu'n ddwyieithog. Byddwn yn cyfathrebu â chi yn ôl eich dewis, dim ond i chi roi gwybod i ni pa un sydd well gennych. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

WORKING FOR CARDIFF, WORKING FOR YOU

The Council welcomes correspondence in Welsh, English or bilingually. We will ensure that we communicate with you in the language of your choice, as long as you let us know which you prefer. Corresponding in Welsh will not lead to delay.

When a property becomes empty, a full review of the property is carried out to assess what works are required to make the property safe and liveable for the incoming tenants.

Works are also undertaken so that the property is fresh and comfortable for new tenants to move into. This can lead to large scale works being required including the installation of new kitchens and bathrooms to ensure that the property meets the Welsh Housing Quality Standard (WHQS). In addition to this, works can also include full electrical rewires, redecoration and plastering, intrusive damp surveys and remedial action and large-scale garden or exterior works. Recently, there has been significant decline in property condition when they are being returned to the Voids Unit. This is for several reasons including the impact of the pandemic, increased complexity of some tenants and occasionally the properties have not been well maintained and require extensive works.

Issues with external suppliers

In addition to the general issues, there have been other delays out of our control that have impacted on the void turnaround time. These issues include a kitchen manufacturer ceasing trading resulting in sourcing a suitable alternative supplier.

However, the largest issue encountered was the ability to provide gas and electricity into void properties. For several years, the voids unit had a contract with a provider to supply gas and electricity in void properties. Due to the energy crisis, the provider ended this contract with no prior notice, it has proved difficult to source a new energy supplier. Without a supply, many works cannot be carried out, in addition to this there are also long waiting times for new meters or meter repairs. To address this, the service has been working closely with several energy providers. Some issues have improved slightly, and I am pleased to say that we anticipate will improve further in the coming months.

Other Issues

Some other contributing factors to delays in void turnaround time include when input from professionals or outside agencies is required to determine if the property is suitable for the incoming tenant. For example, if an accommodation needs adaptations to meet the needs of a disabled person/s before they move in.

There are also situations where it has been difficult to identify suitable applicants for specific properties where sensitive lets or lettings initiatives apply. These properties often have additional criteria to address a specific issue in an area. In these situations, careful consideration is given to identifying suitable applicants who meet the additional criteria.

Current and new additional interventions to improve turnaround times.

The voids unit are consistently looking to decrease turnaround timescales. Existing processes are being reviewed further to assess and implement identified changes to improve on any delays.

The introduction of Maintenance Persons carrying out smaller works has been helpful to the team, allowing skilled tradespeople to concentrate on the more complex skilled work. This has assisted the team with improving timescales. To further improve our timescales the pool of small contractors will be introduced in the Autumn 2023, providing additional resource to the team when required.

Properties that are refused once a property is ready to occupy means that the property needs to be re-allocated to another person on the waiting list. In these situations, an additional week could be added to the re-let time, possibly longer in recurring situations where multiple refusals are received for the same property. To help negate this, properties are now offered earlier in the voids process, so that potential occupants are lined up, ready to view and sign for the property as soon as it becomes ready for occupation.

Detail on the number of council void properties back in use at year-end (2022/23).

A total of **778** properties became void during 2022/23. **636** void properties were brought back into use in the same period, however some of these properties may have become empty prior to 2022/23.

As at the end of March 2023, there were **194** void properties, this equates to **1.40%** of our total stock. Of these **194** properties; **37** are in Nelson House, which is undergoing large scale refurbishment works and cannot be re let currently.

The number of long-term void council properties in the city (we appreciate this figure will be everchanging, however a snapshot overview would be welcomed)

In addition to the 37 properties above, as of 31st March there were **8** properties that had been empty for six months or longer.

Two of these **8** properties have been empty for over 12 months, they both require a significant amount of structural works. There is currently no date for when these works will be completed.

Two further properties have been empty for just under a year, again structural repairs are taking place at both of these properties, progress again is ongoing with these properties.

Four properties have been empty for approximately six months. Of these, three have been identified as suitable for modular extensions to assist with housing families that may be overcrowded and in need of a larger property. The service is currently awaiting planning permission to begin the works on these properties. The fourth property was fire damaged. The police and fire service have undertaken an investigation into the fire and following this have only recently released the property back to the council. Works are due to be completed imminently and the property will shortly be offered to new tenants.

If known, if there is any interlink between the WHQS and Renting Homes Wales Act.

There is no interlink between the current WHQS and the Renting Homes Wales Act, however, this may change once the new standard is introduced. At the present time no date has been provided by Welsh Government as to when this will be, but it is expected later in 2023.

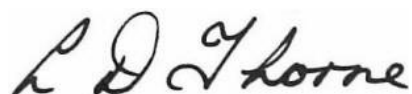
Detail on the proposed restructure to the Housing Development and Neighbourhood regeneration team

In response to the request for information on the restructure of the Development and Regeneration service I can confirm that this detail has not been shared with Cabinet as such matters are reserved responsibility for the head of paid service.

In this instance I have asked Officers if they would provide a confidential briefing for the chair (if required) to assist in supporting the assurances given at Committee.

I hope the above is of assistance.

Yn gywir
Yours sincerely



**Councillor / Y Cynghorydd Lynda Thorne
Aelod Cabinet dros Dai a Chymunedau
Cabinet Member for Housing & Communities**